

HR Sourcing Strategies

“A Structurationist Perspective”

Master thesis Public Administration
by Mitch van Balen



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Date **5 June 2009**

Cover Illustration: Peter Paul Rubens, in François d'Aiguillon: "Opticorum libri sex philosophis juxta ac mathematicis utiles", Antwerpen, 1613

Management Summary

The HRM (Human Resource Management) function is changing for the last decades due to such structural changes as bundling HR processes in shared service centres and the outsourcing of HR processes. These two developments together are known as 'HR sourcing' and are of our particular interest because of their influence on HRM nowadays. Commencing HR Sourcing is reported to have different impacts upon organisations. While some sources are optimistic and state different advantages (e.g. cost reduction, efficiency and innovation), others mention less positive effects. Complications such as the redistribution of responsibilities, inflated process quality and dissatisfaction with the supplier have been reported in ample cases. These conflicting and contradictory reports on HR Sourcing presume different characteristics of the subject at hand. Still a thorough insight into how these characteristics occur and how they can be managed, is lacking.

This thesis contributes to that insight. We state that HR Sourcing is a strategic occurrence which has a distinct impact on the form of HRM. We therefore start by highlighting the form of HRM within organisations. We come to the conclusion that we cannot describe HRM solely as a function but that we should expand our vision to a more contemporary account of HRM. Hence HRM is understood as an ensemble: the entirety of HR Agents and HR Networks which exist in order to provide HR Processes. To understand the conflicting and contradictory reports on HR Sourcing we chose not to solely focus on the intensions of strategies, but also on the actions that they invoke within the organisation. Thereby the impact that HR Sourcing has on the HR Ensemble is not perceived to occur immediate, but rather within and through the agency of organisational agents.

We chose for structuration theory to comprehend and analyse the agency of the organisational agents for several reasons. First, it takes history and context into account to understand agency as path-dependent and socially embedded in ongoing-practices. We thereby get a more elaborate insight into agency. Secondly, it explores actions with reference to structure, meaning that action cannot be understood without referring to the notions of structures that the agent has. Thirdly, it places the agents in the centre of the structuration process as active and knowledgeable actors that can counter intended changes. Following structuration theory, we analyze three structures: domination, legitimation and signification. These structures are put into action through modalities that serve as facilities, norms and schemes to bridge structure and agency. In this research we bring two premises forward. The first is that HR Sourcing strategies promote new modalities to the organisational agents to affect change in their agency. The second is that the eventual interplay between structure (as translated in modalities) and agency will show us the structuration characteristics of the different HR Sourcing strategies and their influence upon the HR Ensemble.

To gain an insight into the structuration characteristics of HR Sourcing strategies we conducted interviews at three organisations that commenced with HR Outsourcing and three that commenced with HR Shared services at least 2 years ago. Eleven interviewees (with both line and HR managers) were selected on the basis of their involvement with implementing the HR sourcing strategies. They were required to have worked within the organisations before and during the changes. This was deemed necessary to gain an historical account of the structuration occurrences. The analysis of the data was done in three separate steps: (1) distinguishing HR Shared services from HR Outsourcing (2)

uncover structuration characteristics within these categories (3) compare the two categories and explain the different characteristics.

This analysis brought us several findings. We saw that HR Shared services and HR Outsourcing invoke different structuration characteristics even though the original modalities of the HR Ensemble were similar amongst the organisations. We saw that the structures of domination, legitimation and signification that are connected to the HR Ensemble were affected. These effects can be seen in the table below.

	HR Shared services	HR Outsourcing
HR Processes	d. Differing resources mobilised l. Customised processes expected s. Client satisfaction	d. Propagated facilities utilised l. Effectiveness and reliability s. Client satisfaction
HR Agents	d. Authority remains at line l. Biased norms exist s. Capability is important	d. Redistributed auth. resources l. Collaboration and dutifulness s. Common responsibility
HR Network	d. Redefined informal connections l. Available connections are right s. Informal is better	d. Formal connections are enforced l. Approachability and personal touch s. Accessibility

(d) domination (l) legitimation (s) signification

These different structuration characteristics of the HR Sourcing strategies resulted in distinctions between the organisations. We saw at the organisations that chose for HR Shared services that a multiplicity of forms of the HR Processes was invoked. Also the responsibilities amongst HR Agents were much more spread than intended. And finally the HR Network was alienating managers from HRM. The organisations that chose for HR Outsourcing had experienced standardised and better HR Processes. HR Agents that feel a shared responsibility and collaborate with each other. And the HR Network can be characterised by formal but personal connection. From the perspectives of the managers, HR Outsourcing invoked more intended effects than HR Shared services. Therefore we could create a list of five recommendations for HR Sourcing strategies that increase the occurrence of 'positive' structuration characteristics.

1. *Break ties with original facilities and restrain line managers from depending on HR managers*
2. *Leave schemes of the clients to communicate with the supplier similar to the original ones*
3. *Do not focus on the cost motive exclusively*
4. *Invest in the education and benefits of the supplier's personnel*
5. *Understand the HR Processes in every single detail*

Structuration theory helped us to develop these insights because of its orientation on context, the reciprocity between structure and agency, and by putting the practices of agents in the middle of our attention. Besides giving this insight it also showed why certain practices emerged and not others. Therefore we created a very dynamic insight in the HR Sourcing strategies with much space for its nuances. Furthermore structuration theory was deemed useful because of the distinction it makes in structures of domination, legitimation and signification. We saw that while all the organizations experienced big changes in the facilities, this was not regarded to be an issue for the managers. Both line and HR managers reacted reluctant to most of the proposed changes in facilities and stated that those changes were inevitable. But when the HR Sourcing strategy would affect the

norms and schemes that the managers had, more negating practices were reported. Therefore structuration theory made it possible to dissect the findings on HR Sourcing strategies and was able to uncover some bottlenecks.

Besides the use of structuration theory the notion of the HR Ensemble was also important. While the HR Ensemble is a very broad instrument to analyse organizational HRM, it was particularly useful for this research. Firstly because it allowed us to pose more focused questions upon the changes that HR Sourcing strategies try to invoke. We therefore were able to guide the interviewees to give a more complete picture of the structuration characteristics. Secondly it showed us that the bottleneck of HR Sourcing strategies is not necessarily founded in the quality of processes. Also the way how they are provided or the responsibilities that are connected to them might cause complications. Therefore the HR Ensemble gave us the framework to understand HR Sourcing strategies, in their intentions and their effects, in more detail.

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Vocabulary of Terms

HR Agents	<i>Agents both internal and external to the organisation who carry a responsibility for providing one or more HR processes for that organisation.</i>
HR Ensemble	<i>The entirety of HR Agents and HR Networks which exist in order to provide HR Processes</i>
HR Outsourcing	<i>The contractually determined relationship between a client and an external supplier to perform HR processes which were previously performed in-house.</i>
HR Network	<i>The totality of connections that HR agents maintain to provide HR processes</i>
HR Processes	<i>Those decisions and practices that directly affect the human resources</i>
HR Shared Services	<i>The agreement between a client and an internal supplier to perform HR processes which were previously performed by the client itself.</i>
HR Sourcing strategy	<i>The direction and scope of an organisation embedded in choices that managers make about which HR Processes to source, how and when.</i>

1. Introduction

In this chapter we will describe the background of our research and will therefore give an introduction to the sourcing of human resource processes and its consequences for the organisation. We will also mention the research problem and research questions.

1.1 Background

It has often been predicted that the HRM (Human Resources Management) function will change radically. These predictions vary from the eradication of the HRM function within organisations (Stewart 1996) till more balanced accounts on its changing roles (Ulrich 1997). Kanter (2003) also participates in this discussion and states that the HRM function will change due to (among others) the bundling of HR processes in shared service centres and the outsourcing of HR processes. These two developments together are known as 'HR sourcing' and are of particular interest within this research because of its prevalence and influence on HR today. HR Outsourcing emerged in the 1980's and since then almost every organisation has outsourced at least one part of their HR Processes (Gurchiek 2005). Also HR shared services emerged gradually within organisations (Ulrich 1995; Davis 2005). Their rise can also be notified by the stock of 'shared services' reports that are written by major consultancy firms. And while there were no HR shared services reported in the Netherlands until 2003, they are very present nowadays (Farndale, Paauwe et al. 2009). In this research we therefore support the statement that HR sourcing is a prevailing development. What we do not know however is if and how HRM changes due to HR Sourcing.

1.2 Research problem and questions

Commencing HR Sourcing is reported to have different impacts upon the HRM function. While some sources are optimistic and state different advantages (e.g. cost reduction, efficiency and innovation), others mention less positive effects. Complications such as the redistribution of responsibilities, inflated process quality and dissatisfaction with the supplier have been reported in ample cases (Schoemakers 2005; Brockett 2006; Griffiths 2008). These conflicting and contradictory reports on HR Sourcing presume different characteristics of the subject at hand. We therefore state that HR Sourcing is a strategic occurrence which has distinct and variable characteristics. Still a thorough insight into how these characteristics occur and how they can be managed, is lacking. It has therefore frequently been put forward that there is a need for empirical research where the 'insider perspective' is taken into account (Kessler, Coyle-Shapiro et al. 1999; Cooke, Shen et al. 2005; Cooke 2006). An insider perspective should advance the understanding of how managerial agency influences the success or failure of HR Sourcing strategies. This research wants to contribute to the insight into the effects of HR Sourcing on the form of HRM by taking this 'insider perspective'.

Therefore we first start by highlighting the form of HRM within organisations. We pose that we cannot describe HRM solely as a function but should expand our vision to a more contemporary account of HRM. Hence HRM is understood as an ensemble: the entirety of HR Agents and HR Networks which exist in order to provide HR Processes. Secondly we introduce structuration theory as a tool to comprehend and analyse managerial agency for several reasons. First, it takes history and context into account to understand agency as path-dependent and socially embedded in ongoing-practices (Sydow and Windeler 1998). We thereby get a more elaborate insight into agency. Secondly, it explores actions with reference to structure, meaning that action cannot be understood without referring to the notions of structures (in this case the HR Ensemble) that the agent has (Giddens 1984). Thirdly, it places the agents in the centre of the structuration process as active and knowledgeable actors that can counter intended changes (Jarzabkowski 2008). Therefore the notion of the HR Ensemble and structuration theory will be used to gain an insight into the different effects that HR Sourcing strategies seem to invoke. Therefore the main research question is;

What are the structuration characteristics of the HR Ensemble for different HR Sourcing strategies?

To aid us with answering the main question we use three sub questions which focus each on a separate aspect of the HR Ensemble, namely;

- 1. Which changes in HR Processes occur due to the HR sourcing strategy?**
- 2. Which changes in HR Agents occur due to the HR sourcing strategy?**
- 3. Which changes in the HR Network occur due to the HR sourcing strategy?**

1.3 Research environment

This research is conducted at Capgemini. An international organisation active in technology, outsourcing and consultancy with over 90.000 employees. The researcher is part of the 'Sourcing strategies' cluster.

2. HR Sourcing

In this chapter we will explore how HRM within organisations is changing due to HR sourcing. We will commence by elaborating on the form of HRM within organisations which brings us to the notion that HRM is an entirety of processes, agents and networks. This entirety is described by the term 'HR Ensemble'. In the second paragraph we will take a look at some tendencies that alter this HR Ensemble. Of our specific interest are HR outsourcing and HR shared services. We will describe HR Sourcing as a strategic occurrence which has a distinct impact on the form of the HR Ensemble. To clarify this we will elaborate on some reported effects of HR Sourcing on each separate aspect of the HR Ensemble and pose the sub research questions which will guide us in this research.

2.1 Form of HR in organisations

There is little doubt about the importance of employees for an organisation. It is in fact reported that nowadays personnel is as much a competitive advantage for organisations as are physical and financial resources (Johnson, Scholes et al. 2006). This is not in the least bit the result of the evermore knowledgeable workforce (Burke 2006) and the switch from simple repetitive labour to creative work over the last few decades (Ware 2005). Human Resource Management (from now on HRM) concerns itself with the effective management of personnel. More specifically '*HRM involves all management decisions and practices that directly affect or influence the people, or human resources, who work for the organisation.*' (Fisher, Schoenfeldt et al. 2003). In the literature HRM is often depicted as a collection of secondary business processes which are performed by an HRM function, which is frequently seen as a staff function. Therefore the HRM function is frequently mentioned as the prime responsible unit for all HR processes. But this does not depict reality as it is. HRM is an intrinsic part of every organisation but its form depends on a myriad of factors. In this paragraph we therefore give an extended notion on the HR processes that can be provided within an organisation, the agents that are responsible for the provision of those HR processes, and the connections that are maintained to provide these processes.

2.1.1 HR Processes

In the previous lines we already used the term HR processes. Following the just mentioned definition of HRM by Fisher et al. (2003) *HR processes will be understood as those decisions and practices that directly affect the human resources.* There are however different notions of how HR processes should be aggregated and categorized. This is due to the enormous multitude of HR processes that exist within organisations, each with their subtle differences (Lepak, Bartol et al. 2005). Belcourt (2006) made a categorisation wherein HR Processes are segregated in processes concerning 'recruitment and selection', 'compensation', 'health & safety' and 'training'. However when we analyse HR processes per field, we do not consider that within each field processes of different complexity can exist. Therefore this classification of HR processes is rather descriptive and therefore not the higher level of abstraction that we are looking for.

Another categorisation, that of Lepak & Snell (1998), combines transaction-cost economics with that of a resource-based view to segregate HR processes into groups which can be sourced or not. With their distinctions on 'uniqueness' and 'value' they divide HR processes in four groups. This division is depicted in figure 1.

Uniqueness	<i>High</i>	Idiosyncratic HR activities	Core HR activities
	<i>Low</i>	Peripheral HR activities	Traditional HR activities
		<i>Low</i>	<i>High</i>
		Value	

Figure 1: Structure of virtual HR (Lepak & Snell 1998)

While activities with a high uniqueness and high value (Core) should probably remain in-house, those which are lower in uniqueness while still being valuable (Traditional) are already susceptible to being sourced. The same can be said for those activities that are both low in value and uniqueness (Peripheral). With regard to the last category (Idiosyncratic) Lepak & Snell foresee foremost partnerships with an external organisations, for example for consulting services. While this model does offer a higher level of abstraction, it somewhat neglects the orientation of an HR processes. Or in other words, it does not expand on the purpose of an HR processes while this is needed when we want to develop an insight into the form of HRM.

An high-level aggregation that does give these insights is made by Lepak et al (2005). By dividing HR processes in transactional, traditional and transformational, they create three distinct categories. Transactional processes are those processes which are purely administrative and directly connected to the administrative component of HRM. Traditional HR processes can be both administrative and supportive in nature and have an operational focus. For example the instance of performance appraisal and compensation processes. Transformational processes are those that contribute to the strategic goals of organisations. Like supporting line managers with change, and making sure that the workforce acts in line with the intended strategic goals.

The most profound aggregation that we found is however made by (Delmotte and Sels 2005) who divide HR processes in four distinct groups. The first group of HR processes are transactional processes. These processes include foremost ones with an administrative nature like keeping up salary records, benefits and relief administration. These processes are often very basic and not very distinctive between organisations. The second group of processes concern the changing of employee

skills and behaviour. These processes are of high value and concern recruitment & selection, training, rewarding et cetera. HR processes in this group are called transformational processes since they intent to change the direction of the organisation through the manipulation of the employees. There are transformational HR processes which are 'procedure' orientated and those that have a 'people' orientation. The 'procedure' orientated transformational HR processes focus on rules and systems which influence the workforce indirectly. The 'people' based processes concern the direct contact with the workforce. The final category of HR processes are the so called strategic HR processes. These processes concern the analysis of business strategies with regard to the available human resources and how business strategies can be co-developed in line with an HR policy.

<i>Belcourt (2006)</i>	Recruitment & Selection	Compensation	Health & Safety	Training
<i>Lepak & Snell (1998)</i>	Peripheral	Idiosyncratic	Traditional	Core
<i>Lepak et al (2005)</i>	Transactional	Traditional		Transformational
<i>Delmotte & Sels (2005)</i>	Transactional	Transformational (procedures)	Transformational (people)	Strategic

Figure 2: Categorisations of HR Processes

In figure 2 we see how the mentioned categorisations are composed and segregated. While each organisation can put a specific process within a different group, the distinction between transactional, transformational and strategic, is regarded useful since it implies a distinction in the complexity and orientation of the processes. It therefore shows us out of which processes HRM is composed and how broad of an subject HRM actually is. This since from the employee administration till the development of a recruitment policy for the next five years can be understood as HRM processes.

2.1.2 HR Agents

The amount of HR processes show and the different categorisations assume, that HRM is occupied with several distinct goals. This notion is explicated by (Ulrich 1997) who describes four roles for organisational agents that occupy themselves with HRM. These roles can be seen in figure 3.



Figure 3: Roles for HR Agents (Ulrich 1997)

These roles imply multiple tasks for HRM to be fulfilled. The management of the organisations HRM infrastructure is one of the tasks that must be done in a professional and efficient manner. Thus HRM should be concerned with being an administrative expert by taking care of the ‘transactional’ side of HRM. The employee champion is the second role which entails the involvement with day-to-day issues that the workforce experiences. When we move to the more strategic aspects of HRM we see that Ulrich also sees a role for HRM as a change agent. Therefore HRM is about aiding organisations with the implementation of change. The last role that can (and according to many *should*) be taken is the role of strategic partner. It entails that HRM should be concerned with developing organisational strategies and be active in translating these strategies into HRM policies. Without explicitly stating it themselves, the categorisation of Delmotte & Sels (2005) is useful when we want to connect HR processes with these four roles. We can state that each role assumes a preoccupation with one of the four HR process categories from Delmotte & Sels. The administrative expert for one concerns itself with transactional processes. The one of employee champion entails the transformational processes which are orientated on people while the transformational processes with a procedure orientation can be connected with the change agent role. The last role of strategic partner should concern itself with the strategic processes.

We thus see that HR processes can be linked to different roles that HRM should be about. We now should nuance that these different roles are in reality not the sole responsibility of HR managers and arguably should also not be. Ulrich (1997) argues that the future face of HR will increase to be the responsibility of different agents. Even though he states that HR managers should be accountable for each and every role, the execution of each role should be a shared responsibility. He argues that the responsibility for HR roles, and therefore as we have argued for different HR processes, should be divided between several agents. HR is therefore the domain of an entire array of organisational and external agents. In this research those agents will be named *HR agents, who are agents both internal and external to the organisation who carry a responsibility for providing one or more HR processes*

for that organisation. Here below we will describe the most important and common HR agents and their usual HR responsibilities.

Senior management's is often distant from the daily HRM but their decisions can have a profound impact on it. They concern themselves foremost with strategic HR processes. *Line managers* are regarded to be the first point of contact with employees and have a primary role in translating strategic plans in operational measures. As Kanter (2003) noted, the responsibility of line managers for HR processes is increasing. This is reinforced by Ulrich's notion of the HR community wherein line management is a major group. They are expected to carry responsibility for both transformational as well as transactional HR processes. *HR managers* are regarded to carry responsibility for all HR processes. While traditionally their focus has been especially on transactional and transformational HR processes, there is also an increasing call for HR managers to take a more strategic role (Lepak and Snell 1998). *Employees* also become more involved with HRM since the rise of e-HRM which gives them the opportunity to manage themselves. An example could be the managing of vacation days through an online portal. One last big player in the HR community is the *supplier*. The term supplier can be used both for an external (outsourced) supplier or an internal (shared services) one. As will be shown later on, their presence becomes more frequent and their responsibilities do not limit themselves to transactional HR processes. This will be described in more detail in paragraph 2.2.

After this brief recital of agents our understanding of the form of HRM is broadened. The previous descriptions do offer however solely an insight into their responsibilities in isolation of each other and do not elaborate on their connections with other agents. Moreover it does not take into account that the division of responsibilities can vary strongly between organisations. (Valverde, Ryan et al. 2006) researched how the responsibilities for HR processes are divided between different HR agents and showed that each HR agent can enact different roles and carry different responsibilities. To understand how this can be the case it is important to understand more of the organisation wherein HR agents operate. In this research it will be postulated that the responsibilities that HR agents pertain are adjusted to the structure that organisations have. Therefore the following section will give an overview of structures that influence the connections between the HR agents and HR processes.

2.1.3 HR Network

In the previous paragraph we saw that there are different roles that concern the provision of certain HR processes and they also imply a joined effort of multiple agents. The connections that these agents maintain with each other and the responsibilities that they carry are however influenced by structural properties (Maes 2007). Structure is in the first place important for understanding the lines of communication between HR agents. This is even more indispensable since, as we have argued, HR is a shared responsibility which gets tangled with every part of the organisation. Secondly it is necessary to understand where responsibilities are positioned within the organisation. We will argue that HR has its own structure within organisations. This so called *HR Network is the totality of connections that HR agents maintain to provide HR processes.* To start this argument we will begin by describing the HRM function. Afterwards we will state three different kinds of connections that HR Agents can maintain to provide HR Processes.

2.1.3.1 Structure of the HRM Function

Within organisation we can often find an HRM function wherein HR managers are formally situated. While the form of an HRM function might differ between organisations, there are some common ideas on how HRM functions look like. The most frequently mentioned models are of HRM functions which are specified on the ground of processes. An example of this is Ulrich's (1997) three-legged model which assumes an HRM function that consists out of HR business partners, administrative service centre and centres of expertise. While this model has gotten a lot of attention in both academic and professional literature it is often just partially implemented or simply heavily altered. But in general we can assume that HR functions are structured around different HR processes.

Maes (2007) developed a model of an HRM function that is structured around processes and consists out of four sections. The 'Management' section connects itself with the strategic apex of the organisation and co-develops the HR strategy. It is also responsible for guiding the other sections of the HR function. The 'Development' section concerns itself with improving processes like recruitment, training, compensation and so forth. In short it helps with finding solutions for strategic and tactical challenges that face the organisation. Section 'Services & Advices' is primarily concerned with aiding the organisation to deal with change and support for the workforce. Finally the 'Administration' section concerns itself solely with the transactional processes within the organisation. Maes (2007) also states that each section requires a different kind of HR manager. While the HR managers in the 'Administration' section require little education, the ones in the 'Development' section need to be highly educated and might be called HR Advisors instead.

The existence of an HRM function is however not a necessity for organisations. But when it does exist it is important to understand where this function is positioned since this can influence the responsibilities of HR managers and the connections that they maintain. Therefore we will give a brief overview on how organisations can structure themselves and how the HR function and/or HR managers can position themselves within organisations.

2.1.3.2 Formal structures:

Organisations can be described and defined in multiple ways. However when you ask a manager to describe the organisation he is likely to draw an organisational chart (Johnson et al 2006). There is a certain truth in this approach because it shows the responsibilities and hierarchies that should formally exist. It also tells a lot about the patterns of communication, the exchange between people and which units are of the organisations' importance.

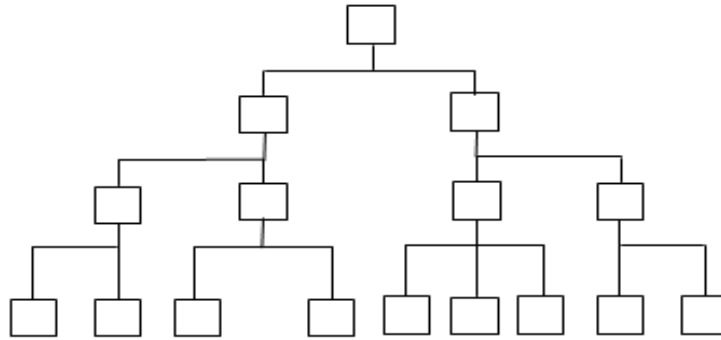


Figure 4: Formal organisational chart

Merely as a visualisation we have included figure 4. It shows the formal hierarchy of an organisation that maintains foremost vertical connections between its units/agents. There have been several organisational types identified on the basis of their organisational chart (Johnson et al 2006). The structure in figure 4 is comparable with the functional type. Other types of formal structure are divisional and matrix structures. Each of these types have their own way of formal organising, the communality between the types is that organisation officially acknowledge them to be existent and necessary. Hence, formal structure is the skeleton in which the official relationships are positioned. There is however a huge difference between the formal structure of an organisation and the factual daily work activities (Meyer and Rowan 1977). This because informal structures are also existent and interaction between human agents does not limits itself to the formal lines. Therefore it is of the very importance to understand other forms of structure in order to get a fuller account on different provision modes.

2.1.3.3 Informal structures

While formal structures can depict the hierarchy and regulated flows of control, work and information, they are not the only structures that exist within organisations. (Mintzberg 1979) phrased it as follows: *“Centres of power exist that are not officially recognized; rich networks of informal communication supplement and sometimes circumvent the regulated channels; and decision processes flow through the organisation independent of the regulated system (1979 p46).”* These are the so called informal structures within an organisation.

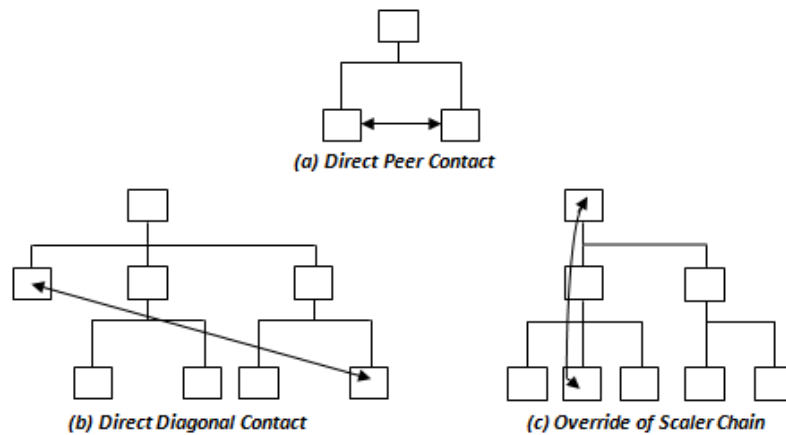


Figure 5: Informal relationships within hierarchy

In figure 5 three forms of contacts are shown that surpass formal lines. As the figures show this can occur amongst peers but also through hierarchical levels. Informal communication can establish links between divisions and functions which officially do not exist. These informal communications can be unstructured and sporadic, but also become structured in so called constellations. These constellations have an informal nature but are likely to be related to the formal structure. Agents within an organisation namely tend to work in cliques which are ‘established’ on the bases of (formal) function descriptions. Thus a small amount of peers, from a functional unit might stick together within a constellation where they share informal communication. A constellation that overlaps the hierarchical structure is shown in figure 6 as a grey blob.

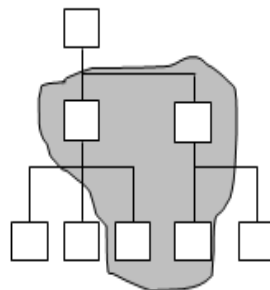


Figure 6: Organisational constellation

2.1.3.4 Virtual structure

With the rise of Information Technology (IT) there came a new form of structure into existence which we would like to give a short introduction. Lepak & Snell (1998) already noted that HRM is getting more of a virtual nature, namely “a network-based structure built on partnerships and typically mediated by information technologies to help the organisation acquire, develop, and deploy intellectual capital (1998 p216)”. By means of IT, HR agents can for instance communicate across hierarchical lines and over geographical barriers. While virtual HR surpasses the subject of our research it is nevertheless important to understand that IT opens up a possibility for different HR Agents to communicate easier with each other in more efficient ways. Furthermore it is important to understand that virtual connections can be a substitute for formal and informal lines of process

delivery. As mentioned earlier, employees could take control over HRM issues themselves because of eHR systems. The presence or emergence of virtual structures can therefore alter the original connections and offer alternative connections in the HR Network.

2.1.3.5 Outline of HR Network

In the previous sections on structure it became clear that structure is multi faceted and greatly organisation dependent. An example of a totality of structures is also depicted in figure 7.

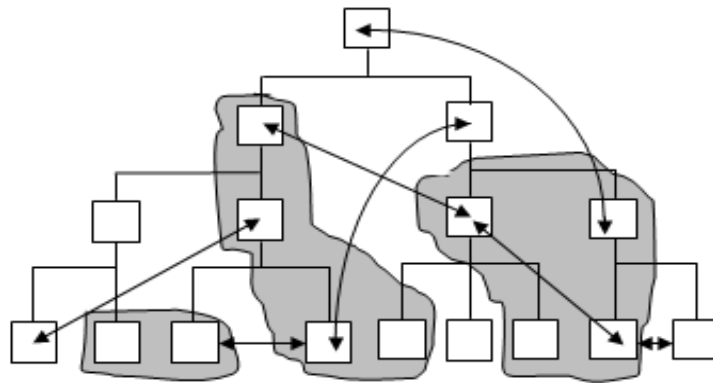


Figure 7: Combined structures within an organisation

Foremost we see that formal and informal structure can contrast with each other. Besides this we see that the role of the HR function and the way how HR processes are provided and responsibilities divided are subjected to many complexities. Maes (2007) claims that a good working HR function is impossible without a structure which supports HR. For example if HR wants to be of strategic importance than it should make a connection with the strategic apex. If it wants to be an employee champion it should partner up with line managers within constellations or make direct connections with the workforce on the floor. Therefore we should adapt the notion that organisational structures are important to understand if we want to understand how HR is functioning. For the purpose of this research the just explicated forms of structure are sufficient to understand how HR agents can be connected with each other within organisations and how their responsibilities can be altered because of organisational structure. It therefore also shows that the HR network comes into existence within these structures and gets entangled with it.

2.1.4 HR Ensemble

A broad array of HR processes, multiple responsible agents, which maintain different connections to provide the processes, makes it clear that HRM cannot be understood solely as a function. We therefore claim that it rather should be regarded in conjunction as an entirety instead. As stated before, Valverde et al (2006) showed that the responsibility for different processes can be placed on different HR Agents. But we can even expand this notion further when we build upon the previously mentioned concepts. Transactional processes can for instance be the domain of a supplier who provides them through virtual structures. But in similar organisations the transactional processes can be the responsibility of HR managers who provide them through informal structures. The 'form' of HR might therefore be very distinctive and can bypass (and certainly surpass) the HR function.

Analysing HR from the perspective of HR Processes, HR Agents and the HR Network as a dynamic whole gives us a deeper insight into the form of HRM within organisations and how HR processes are being provided.

We will call this entirety of HR Agents and HR Networks which exist in order to provide HR Processes the HR Ensemble. With the notion that the HR Ensemble defined we can take the next step in this research. Now that we comprehend the form of HRM within organisations we can also understand how HRM is influenced by certain developments. Not merely an organisational restructuring or merger can enforce the HR Ensemble to reform itself, also actions which forcefully transform HRM can impact the HR Ensemble significantly. From these tendencies the one of HR sourcing is, as argued before, very prevailing and influential. In the next paragraph we will therefore introduce the subject and elaborate on it.

2.2 HR sourcing

In both academic and professional literature the question is repeatedly asked how the HR Ensemble should be structured in order to become of more value to the organisation. This has been linked to the fact that the HRM function often was regarded as one of the most bureaucratic and inflexible functions within organisations (Stewart 1996). There are multiple reasons why this has been a matter of debate. The first might be that the HRM function grew out of proportion in costs and size. Over the years the importance of HR became more recognized and the amount of HR managers grew with significant numbers. When organisations were restructuring themselves also the HRM function was required to do more with less. These restructurings were also enforced by the globalization of organisations. Globalisation did not only imply transnational mergers and acquisitions, but also the establishment of new branches and offices. This enforced new competencies for both the organisation as a whole and the HRM function more specifically. The employee pool for instance also became global and this demanded different HR policies. A third aspect that pressurized the HRM function to change were upcoming technologies. With the development of information technologies, also HR processes could be provided differently and arguably faster and cheaper. But the HRM functions have been accused of not moving along with these developments. A last reason that is frequently mentioned by both academics and professionals is that the HR processes differed strongly in every division. The professionalism of HR managers could vary strongly between those divisions and thus there was a need for more unity in processes, in both quality and nature.

Organisations are looking for new ways on how to cope with these four issues. Not only the HRM Function but the HR Ensemble in total is therefore under the influence of change. Kanter (2003) participates in the discussion on how the HR Ensemble will 'look' and states that the HRM function is likely to disappear in the near future. To support this statement she refers to four developments that will have a distinct impact on the future face of HR. These are the outsourcing of HR processes, the delegation of HRM responsibilities to the line management, the automating due to the emergence of HR information systems and the bundling of HR Processes in shared service centres. These developments should not be seen individually and are often occurring in conjunction with

each other. In this thesis there will be however a specific interest in the outsourcing of HR Processes and the bundling of HR Processes in shared service centres. These both tendencies imply that the responsibility from one party shifts to another. But the differences between HR Outsourcing and HR Shared services might however be clearer when we define them.

2.2.1 Defining HR Outsourcing & HR Shared services

HR Outsourcing is described by various authors and different definitions are known. Some definitions which specifically concern the outsourcing of HR Processes are the following.

"(HR) Outsourcing is the performance, by outside parties on a recurring basis, of HR tasks that would otherwise be performed in-house."

(Greer, Youngblood et al. 1999)

"Outsourcing is a relationship in which a company contracts with a vendor that rents its skills, knowledge, technology, service and manpower for an agreed-upon price and period to perform functions the client no longer wants to do."

(Adler 2003)

"HR outsourcing takes place when a company contracts with an HR vendor to perform an HR activity previously performed by the company."

(Lievens and De Corte 2008)

These definitions share that there is a (1) transfer of HR responsibilities from a client organisation to an external supplier (2) the external supplier provides processes to the client (3) a contractually determined relationship between the client and external supplier exist.

Therefore HR Outsourcing will be understood as the contractually determined relationship between a client organisation and an external supplier to perform HR Processes which were previously performed in-house.

HR Shared services are not often commented on in the academic literature and a common definition is lacking. Therefore we need to look in the literature that is not specifically about HR Sourcing. Here below we will use some of the common definitions.

"HR shared services can be regarded as internal outsourcing providing well-defined services for internal customers that consist of more than one unit."

(Cooke 2006)

"A SSC is a separate and accountable semi autonomous unit within an (inter)organisational entity, used to bundle activities and provide specific pre-defined services to the operational units within that (inter)organisational entity, on the basis of agreed conditions."

(Janssen and Joha 2006)

"A SSC is a result responsible unit in the internal structure from an organisation, governmental- or non-profit institution, with the task to deliver services with a specific specialization, to the operational units from that organisation, on the basis of agreement at a standard price."

(translated from Dutch to English by the author) **Strikwerda (2007)**

In these definitions HR Shared services are described as an organisational unit which is also how they are commonly regarded. They mostly mention (1) a transfer of processes from organisational units

to a separate internal supplier (2) that internal supplier provides processes to the client units (3) an agreement between the internal supplier and client units exists. In order to compare it with HR outsourcing we will define HR Shared services in a similar shape.

Therefore HR shared services will be understood as the agreement between organisational units and an internal supplier to perform HR processes which were previously performed by the organisational units themselves.

The communality between HR Outsourcing and HR Shared services is that they both assume the transfer of responsibilities for HR Processes from one unit to another party which in turn becomes the supplier. This transfer is therefore described as a crossover of responsibilities and is better known as 'sourcing'. Therefore when we talk about HR Sourcing we refer to the commencing of HR Outsourcing or HR Shared services on the basis of a contract or agreement.

2.2.2 Why HR Sourcing

We already have mentioned a few reasons why HRM is under the influence of change. But we have not seen why exactly HR Sourcing is propagated to enforce that change. There are however extensive accounts on the motives for HR Sourcing. Delmotte & Sels (2005) for instance state multiple motives for HR Outsourcing on the basis of a literature analysis. They divided the motives in strategic and operational ones. While strategic motives are deemed more important, they have been less frequently mentioned in the literature, while there actually are several. One strategic motive is for instance increasing the focus upon core activities by outsourcing the non-core HR Processes. HR Outsourcing is also seen as a way to increase the ability to innovate. Other strategic motivations concern an increased organisational flexibility and drawing on knowledge that is not internally available. There are however multiple motives with a more operational character. These are among others the decrease of operational costs, decrease of personnel, attracting external expertise or transferring problems to another party. An extensive literature analysis is also made by Jansen & Joha (2006) who summed up the motives that were used for outsourcing, shared services, and which were used for both. While their analysis did not specifically focus on HR Sourcing, it still gives us an insight into the different sourcing motivations. First it can be said that many motives are used interchangeably, which shows that they can be competing sourcing options. Secondly we see that some motives for shared services distinguish themselves by focusing on issues that concern control and confidentiality. But overall it shows that the motives for HR Shared services are fairly equal to those for HR Outsourcing.

Hence the motives are ample and many operational and strategic benefits of HR sourcing relationships are claimed, but the question remains when and how it has to be done. There are therefore extensive discussions on how HR sourcing decisions should be made. As Lepak & Snell noted "*while (sourcing) may increase both the scope and flexibility of structural differentiation, they make structural integration that much more challenging.*" (1998 p219). A subject which concerns itself with how this should be done is the one of HR Sourcing strategies.

2.2.3 HR sourcing strategies

A strategy entails “the direction and scope of an organisation over the long term, which achieves advantages in a changing environment through its configuration of resources and competences with the aim of fulfilling stakeholder expectations” (Johnson et al 2006). Comprehending strategy as such also makes sourcing a strategic issue. This because sourcing influences both the resource allocation and the competences within the organisation (Quélin and Duhamel 2003). Moreover it also concerns the modification of responsibilities and the altering of boundaries of the organisation. Within the literature we see different perspectives upon the sourcing of HR Processes and how this could be made a strategic choice. Multiple theoretical models have been used to exemplify and guide sourcing decisions. The sourcing question that is frequently asked is whether (and which) HR Processes should be sourced. This also concerns the width and depth of the sourcing strategy. While the width question concerns itself with which processes should be sourced, the depth question concerns itself with the extent to which they get sourced. Many HR processes are in fact only partly sourced (Delmotte & Sels 2005). The actual payroll administration for instance can become the responsibility of a supplier, while the design of the income policy may stay in-house. It is important to understand that HR Sourcing strategies can have different scopes and intentions. When defining HR Sourcing strategies we should therefore also realise that they can differ in scope and direction. Therefore we will use the following definition.

HR Sourcing Strategy is the direction and scope of an organisation embedded in managerial choices about which HR Processes to source, how and when.

There are multiple theoretical views on how these HR Sourcing strategies should be developed. Most researches capitalize on transaction-cost economics (Greer, Youngblood et al. 1999; Klaas, McClendon et al. 1999) and the resource-based view (Quinn 1999). From a transaction cost economics point of view (Williamson 1985) the decision whether or not to source is dependent on costs of exchange. If a process can be performed cheaper in-house than through an external party, it should remain in-house. If not, it should be provided by the external supplier or the market. With the resource-based view the decision to source the HR process or not is dependent on the core/non-core question. When a process is not critical for the organisation and not a core function, than the service is an appropriate candidate for sourcing. From the resource-based perspective, basically everything can be sourced that is non critical and non-core. The first question mark that we can raise is if everything is clearly distinguishable as core or noncore. Secondly we still should wonder if a decision is appropriate if only critical/noncritical and core/noncore is taken into consideration. We already saw in section 2.1.1 that when TCE and RBV are combined, a figure is created which can help organisations with their HR Sourcing strategy with regard to HR Processes. But the true value of an HR Sourcing strategy depends on the results it can deliver. While positive impacts can for instance lead to a better alignment between HR and the organisational strategy, negative impacts can result in the inflation of quality of the HR processes and potentially in the termination of the HR sourcing. As we saw in the introduction of this paragraph HR is also regarded as a bureaucratic and distorted function. And untangling HR from an organisation to make more viable sourcing possible might be deemed impossible. A thorough explanation of the complications that emerge after HR Sourcing commences is unfortunately not often seen. It is our believe that we can develop an increased insight into the effects of HR Sourcing strategies by relating them to the HR Ensemble and analyse the changes that it invokes. Thereby we can give insights into the viability of HR Sourcing in ways

that the perspectives of TCE or RBV cannot give. Therefore we will develop in the upcoming paragraph a framework to understand HR Sourcing strategies with regard to the HR Ensemble.

2.3 HR sourcing strategies and the HR Ensemble

After an HR sourcing strategy has been developed and a supplier has been found, the transfer of HR Processes can begin. This change can have a deep impact upon the HR Ensemble. We will therefore present a conceptual framework called the HR Sourcing pyramid. This framework shows how the HR Ensemble can be affected by HR Sourcing. In this paragraph we will also see multiple accounts on the possible changes for each separate part of the HR Ensemble.

2.3.1 Changing the HR Ensemble

It is of our specific interest to understand the impacts of HR Sourcing strategies to a larger extent. While some reports indicate that the sourced HR processes become more appreciated and satisfaction levels rise over time (Hewitt Associates 2005) there are also some examples of dissatisfaction. For instance, the HR shared service centre (SSC) of several Dutch ministries that has encountered a myriad of complications, costing millions of euro's and countless frustrations (Boerman 2007). This created both tangible and intangible damage to the HR shared service centre and the organisation as a whole. That many complications arise should not be a surprise when you consider the impacts it has on the HR Ensemble. This was confirmed by Warren (2008) who saw that when HR Sourcing commences, not only the nature of the processes changes, but also the organisational structure and the roles of HR and line-managers change considerably. HR Sourcing strategies are therefore no clear-cut change programs that are performed effortlessly. Rather than that it promotes a myriad of changes within the HR Ensemble, and therefore is dependent upon the acceptance of different agents. There are ample reports which state that culture, power games and resistance (which all concern the client side) have a major impact upon the success of HR Sourcing strategies (Hays 1999; Flynn 2000; Frase-Blunt 2004; Manocha 2006). This was also stipulated by Fisher et al (2008) who noticed that both the organisation providing the services and the client organisation have to adapt to the new responsibilities as caused by the HR sourcing. It is therefore by no means clear that when the provided processes of the supplier are of an adequate level, complications will not emerge at the side of the client.

This makes it the more interesting to see where the discrepancy between strategic desires and factual outcomes emerge, and to reach out a framework to understand this. To understand these complications we will focus upon the changes that the HR sourcing strategy promotes with regard to the HR Ensemble. HR Sourcing strategies will be understood as the function of the changes that it promotes in HR Processes, HR Agents, and the HR Network. In short this means that we will analyse the impact of HR sourcing strategies from the perspective of the HR Ensemble. Hence the main research question is:

What are the structuration characteristics of the HR Ensemble for different HR Sourcing strategies?

Our previous statements can be visualised in a conceptual framework. This framework is depicted in figure 8. It shows how HR Sourcing strategies attempt to impose changes in HR Processes, HR Agents and the HR Network.

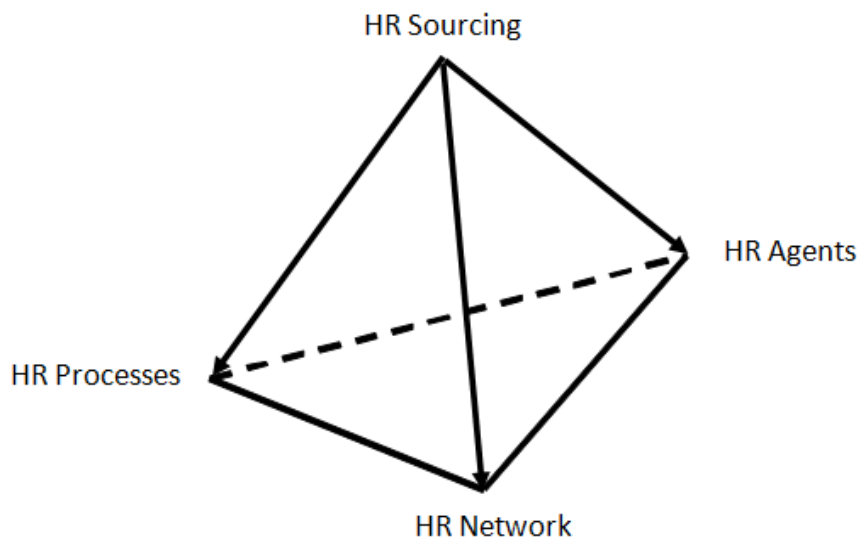


Figure 8: HR Sourcing pyramid

In the upcoming sections we will elaborate on how HR Sourcing strategies do affect each individual aspect of the HR Ensemble. This is done to increase our knowledge on the potential changes and will be done by referring to previous findings in both academic and professional literature. We will thereby expand on several possible changes that HR Sourcing can invoke and will thereby give space for both the positive and negative effects that they have been attributed.

2.3.2 Changes in HR Processes

Sourcing always implies a transfer from the responsibilities for certain processes from one party to another. Moreover it virtually always implies that the processes change along. In some cases these changes cannot be seen separately but we will try to describe some phenomena which are frequently seen. Therefore we firstly should focus on some aspects of HR processes. The quality and nature of HR processes for instance is often regulated by a service level agreement (Fraser-Blunt 2004). This is called in existence to safeguard the quality and provision of the HR process after the change of responsibilities takes place. The necessity of this precaution is caused by the change that the HR Processes are likely to experience. An organisation that supplies HR Processes stated that their value proposition assumes that 80% of the HR processes needs to be standardized and the rest of the 20% could be adjusted, rather than customized (Adler 2003). This could not only imply that the processes are being flattened out it also assumes that it can be missing out on the personal touch of HRM (Smith 1999). This however can also make the HR processes more efficient and timely than before. Travel expenses can for example be reimbursed in one week instead of the previous three. Thereby the quality of the HR processes might be perceived to either decrease or increase,

whether or not the client appreciates for instance the personal contact more or the speed by which the process is provided. The one does however not necessarily have to exclude the other (Flynn 2000). To explore the changes in HR Processes and to analyse their influence on the HR Ensemble we have developed the following sub question:

1. Which changes in HR Processes occur due to the HR sourcing strategy?

The previously mentioned changes in HR Processes are not comprehensive in a long shot. Their mentioning was just used to support the argument that changes can occur, but their effects can be perceived different. In the next parts we will also build up such an argument for changes in HR Agents and the HR Network.

2.3.3 Changes in HR Agents

When HR Sourcing commences the supplier does not only become an HR Agent, but the redistribution of responsibilities amongst the different HR Agents will also be propagated. Firstly we should state that the supplier can present itself in different forms. Not only could it be a fully acknowledge new partner that is close to the business but also an unknown entity which operates far away from where the work is done. Moreover the supplier can also consist out of the same agents that previously provided the HR Processes. This because HR managers might contractually be taken over by the supplier, and therefore the same persons can act as different HR agents. By doing so the familiarity of the faces is combined with the advantages of an external contract. But more often the supplier is often nor seen nor known. This because technological developments made it possible that connections can be maintained, and responsibilities carried, even though there exists a big geographical barrier. Examples of how the supplier might carry its responsibility is through call centres or by offering eHR applications. The supplier could therefore provide services to unknown agents and be unknown itself. Besides the previously mentioned de-personalisation of HR Processes, this can also cause that clients feel alienated from the supplier. One familiar consequence is that when the processes are provided by an unknown external supplier, the line-managers would still demand HR services from the HR professionals. This because the responsibility is still assumed to be connected to them.

As we see in Valverde et al (2006) different HR agents can carry different responsibilities. It seems to be foremost an organisational preference where HR responsibilities are positioned. But when a supplier comes into play, the responsibility is taken away from one or more groups of agents, and the residue is redistributed. An example might be that line management takes over the responsibility for transactional HR processes in conjunction with the HR supplier, thereby bypassing the original responsibility of HR managers. Another reported consequence is that line managers have an increased work load, since all of a sudden employees regard them as the HR Process 'provider' since HR managers disappeared or lost their responsibilities to the supplier. This redistribution in responsibilities therefore not infrequently results in heavy resistance against the HR Sourcing strategy (Hall and Torrington 1998). This also occurs because the loss of jobs is not an unfamiliar consequence and being 'transferred' from the client to the supplying organisation is not in everyone's interest. In our research we will put interest on how the emergence of a new HR Agent

works out and how the redistribution of responsibilities occurs. Therefore we have formulated the following sub question:

2. Which changes in HR Agents occur due to the HR sourcing strategy?

The emergence of a new party (or parties) and the redistribution of responsibilities among the existing and new parties can be sweeping. Also when it comes up to changes in HR Agents due to HR Sourcing we see different accounts. Therefore it is very interesting for us to understand how changes occur due to the HR sourcing strategy.

2.3.4 Changes in HR Network

Finally the HR Network is also expected to change due to HR Sourcing. The introduction of a new HR Agent and the redistribution of responsibilities over all the HR Agents have a significant influence on how HR Processes are provided. This has been accentuated by Arinso (2004) who stated that organisational structure is a determinant for HR sourcing success. It is for several reasons important to understand which changes can occur in the HR Network. Firstly this is important because the formal structure changes as a consequence of the new HR agent. In the case of HR Shared services the internal structure is altered. A new unit is set up and new connections with divisions and HR agents are developed (Strikwerda 2007). Also the position that the supplier takes with HR Outsourcing is dependent upon a myriad of factors. The question can be asked for instance if each division makes separate outsource agreements or if it is done within a collective agreement. Besides this also the amount of suppliers can be matter of debate (Delmotte & Sels 2005). The formal structure might also change for the other HR agents when their responsibilities get redistributed. This is for example seen when HR managers are placed in so called 'centres of expertise' when the organisation commences with HR sourcing. This movement implies for instance that HR managers are moved away from the divisions and into a supra-divisional unit or staff function to take a higher advisor role.

Also the Informal structures can be affected by HR Sourcing. These structures are for instance seriously affected when HR agents are geographically dispersed. Maintaining those structures will become more complex in that case. Constellations are affected by giving HR Agents different responsibilities and by altering their formal roles. HR Managers which previously carried responsibility for a wide variety of processes are enforced to become a call centre agent under the auspice of the new supplier. Therefore he changes from a broad HR manager to an administrator who deals solely with the transactional HR processes. It was already acclaimed before that constellations are connected with formal responsibilities and therefore also informal structures might alter. Besides the impact of role distributions the altering locations can have a significant influence on the informal structures. The centralisation of HR processes within a shared service centre can imply that the HR manager has to move to a different location. This can be a desk one floor up, but just as well be in a different country. The informal structures can therefore be heavily influenced when face-to-face contact is largely reduced.

HR Sourcing can also imply the emergence of virtual structures. The virtual structure allows HR Agents to communicate with clients over large distances and without 'personal' contact. This does not only alter the contact between the new agents but also can be a viable replacement for a big

chunk of the old HR Network. When we take all these potential changes into account we must come to the conclusion that in order to understand the HR Sourcing complications, it is important to understand the changes in the HR Network. Therefore the following sub question is:

3. Which changes in the HR Network occur due to the HR sourcing strategy?

In conclusion we can say that each and every HR Sourcing strategy can alter the way the HR Ensemble is configured. So whatever HR process is chosen to source, and which form is regarded most appropriate there still needs to be an account on how the HR Ensemble is being changed.

2.4 Analysing the changes

The afore mentioned possible changes showed a myriad of consequences that HR Sourcing strategies can cause. This leads us to the conclusion that an HR Sourcing strategy should not solely focus on the nature of HR Processes, which traditional approaches propagate, but on the HR Ensemble in total. If such a focus is not taken, an HR sourcing strategy can backfire during implementation (Lepak & Snell 1998). Furthermore we can conclude that managerial agency can have a distinct impact upon the eventual changes that the HR Sourcing invokes. This was seen at SCI, an undertaking company, which stated that HR Shared services were no option for them since they had no in-house capability but also that outsourcing was already an accepted practice in the organisation's culture (HRfocus 2007). Another organisation that is described in that article states however that due to an autonomous corporate culture 'the word outsourcing' was terrorizing the business units. It therefore could not even consider to outsource payroll processes and chose for HR Shared services instead. The thought behind these notions is that an HR Sourcing strategy cannot foster positive changes when the employees are not taken into account. This thought is supported by (Ulrich 1998) who stated that HR is unable to transform itself alone, but needs to have a broad support throughout the organisation. This can be explained by the fact that HR Sourcing strategies are complex endeavours that are not enforced top down but have to be translated in many smaller decisions which *"set off waves of other decisions in the hierarchy. Many exception and coordinative decisions must be made to implement them..."*(Mintzberg 1979 p61). Maybe more with HR than with other processes this broad support is needed since HR processes are, as argued before, the domain of multiple agents and can be tangled with the organisation structure. In the literature we see that there is lack of research on HR sourcing. Instead there is a strong focus upon the motives for sourcing and the advantages and disadvantages that are connected to it. What is especially missing in this case is the insiders perspective on HR sourcing (Kessler et al. 1999; Cooke Shen et al. 2005; Cooke 2006). Such a view would be especially interesting in order to understand how the HR Ensemble looks before and during the commencing of an HR Sourcing strategy. There is however a dearth of empirical research on the connection between HR Sourcing strategies and their impact on the HR Ensemble. As a consequence we lack the knowledge of the appropriateness of HR Sourcing strategies within organisations. Insight into these issues could lead to a more solid understanding of HR sourcing strategies.

To develop an insight into how an HR sourcing can change the HR Ensemble, an intra-organisational perspective is needed. The importance of this is supported by Schuler & Jackson (Schuler and Jackson 1995) who state that when analyzing HR sourcing, internal organisational factors are as important to understand as the external factors. Lievens & De Corte (2008) put this advice into action and take a subjective approach to analyse the sustainability of HR outsource relationships. This gives an unique insight into HR sourcing and its characteristics. In this research it will be argued that such notions of managerial behaviour *and* of the HR Ensemble are of the prime importance to understand how HR sourcing invokes changes.

It is for those reasons that this research will focus upon understanding the HR sourcing strategies in a duality between the managers and the organisation. This requires a theoretical framework that allows us to understand this duality. Besides this there is also a strong need for theoretical models within the field of HR which help to conceptualise it (Ulrich 1997). For those reasons this research will use a process-based theory, namely the theory of structuration (from now on structuration theory). In the next chapter we will argue on the characteristics that make it useful for this research.

2.5 Summary

The 'form' of HRM has been under the influence of several developments. Two of them, HR Outsourcing and HR Shared services, are of particular interest to this research because of their prevalence and influence on HRM nowadays. Together they are known as 'HR Sourcing'.

To understand the influence that these developments have on the 'form' of HRM, it is important to understand what HR actually is. In this research we have defined HRM as an entirety of HR Agents and HR Networks which exist in order to provide HR Processes; the HR Ensemble.

How the HR Ensemble should change because of HR Sourcing is the domain of HR Sourcing strategies, This subject occupies itself with the direction and scope of an organisation, embedded in managerial choices about which HR Processes to source, how and when.

When we want to develop a profound insight HR Sourcing strategy should firstly understand the myriad of complications that can emerge after HR Sourcing commences. Therefore we have proposed to analyse managerial agency that is invoked after the HR Sourcing propagates changes in the HR Ensemble. By focusing on the managerial agency and by applying the insider perspective we believe to foster an insight the often conflicting and contradictory findings on HR Sourcing.

3. Structuration Theory

In the previous chapter an introduction is given on our subject of interest. This chapter will present structuration theory and its possibilities to analyse HR Sourcing strategies and changes within the HR Ensemble. First an introduction will be given on structuration theory whereupon it will be argued why structuration theory is useful for this research. There also will be attention for the deliverables that it should generate and the weaknesses that are associated with the theory. After this there will be an argument on how structuration theory can be made operational.

3.1 Introduction to structuration theory

In the previous chapter we see that HR sourcing can be perceived in two ways. In the first place we could see that it propagates more or less objective features like the service level agreement, call centre and the laying off of employees. Furthermore we saw that these propagated features invoke managerial agency. We have therefore advanced the idea that the effects of HR Sourcing do not occur directly, but rather within and through the agency of managers. We also posed the believe that there still should be considerable attention to the 'objective' features of HR Sourcing strategies. A theory that gives room to analyse these two dimensions in conjunction is the theory of structuration developed by the sociologist Anthony Giddens (Giddens 1984). In the previous chapter a little leap was made to structuration theory and its usability for this research was alleged for. In this paragraph the theory will be explicated to understand its characteristics in more detail. This is considered necessary since its abstract foundation will have a profound influence upon the latter method and analysis. Afterwards we will reason why and how the characteristics of structuration theory are useful in this research.

If structuration theory should be described it is best as a theory that takes the middle ground between 'objectivism' and 'subjectivism'. It assumes that social reality gets constituted through the actions of human agents and these actions enact more or less objective structures, also known as institutions. In turn, these institutions give guidance to human action. Structuration theory thus sees institutions as an enacted 'objectivity' which shapes human actions in turn. Due to this, structure and agency are in duality with each other, rather than a dualism as more objectivist or subjectivist approaches would assume. The main focal point are therefore the practices of human agents which show and enable the connection between structure and agency. We now will describe the main concepts in succession.

3.1.1 Assumptions

There are a few basic assumptions on human agents and reality. The first is that time spans can be divided into three domains. Those are the time span of actions (*durée*), the temporal life-span of human agents, and the supra-individual time of institutions (*longue durée*). These temporal domains are overlapping each other. Human agents have the ability to conduct actions with a *durée*. The conducted actions can originate out of three forms of consciousness. The discursive consciousness

encloses what the human agent expresses rationally or motivationally, practical consciousness covers what the agent is aware of without being able to express his motivations, and finally the unconsciousness covers all that plays on the backdrop of the human mind. The human agent is however striving for “*security which is expressed in an autonomy of bodily control within predictable routines*” (Giddens 1984 p50). Therefore actions with their limited *durée* are being “*routinized*” and become part of the practical consciousness. Most actions come forth out of the practical consciousness which make the day-to-day life a self-evident flow of activities. When the routinized behavior is however maintained, it can surpass the domain of action and become institutionalized. The practical consciousness combined with routinized behavior are the main premises for structure to exist. So the *durée* of actions thus can ultimately overlap with the *longue durée* of institutions.

3.1.2 Agency

Agency is the ability of human agents to influence power upon their actions (Whittington 1992). By exercising power through their actions, human agents can alter institutions, although in reality the ability to do so might be marginal. The degree of power is depending upon the control over two resources: Authoritative resources and allocative resources. Authoritative resources are connected with the ability of human agents to coordinate the activity of other human agents. Allocative resources are the ones concerning the control over material products or aspects of the natural world (Giddens 1984 p258). While using power is foremost connected with intentions, acts of power can also have unintended consequences or even be unacknowledged. The impacts however differ according to the power that human agents possess over resources.

3.1.3 Structure

Structure is an abstract term that does not have any objective properties except the ones that are enacted and accepted by human agents. But human agents draw upon structures that are prior enacted by other human agents. Structures are therefore not only constraining in so far that they shape human action, they are also enabling since they give guidance to the same actions. Structure possesses those constraining and enabling properties since it binds human action over space and time (*longue durée*), putting rules and resources in a certain order. Still we should not forget that structure is only objective insofar human agents regard it to be. This can be demonstrated through the temporality of some institutions. Let us mention the apartheid regime in South Africa, and the Bolshevik reign in Russia (Barley and Tolbert 1997). But the persistence of structures also shows that institutions are not only objective entities which can be replaced by a regime change, but become an intrinsic part of a collectivity of human agents. Racism in South-Africa did for example not disappear along with the regime.

3.1.4 Duality of Structure

By bundling structure and action, Giddens’ attempts to come to a process orientated theory where structure is both the product and the constraint of human action. The division between action and structure is however merely of analytical importance, since structure comes forth out of action and thus cannot be seen as an independent property of social reality. When we try to analyze institutions

we can however dissect both action and structure on three dimensions. These dimensions concern how rules and resources are allocated within social realities.

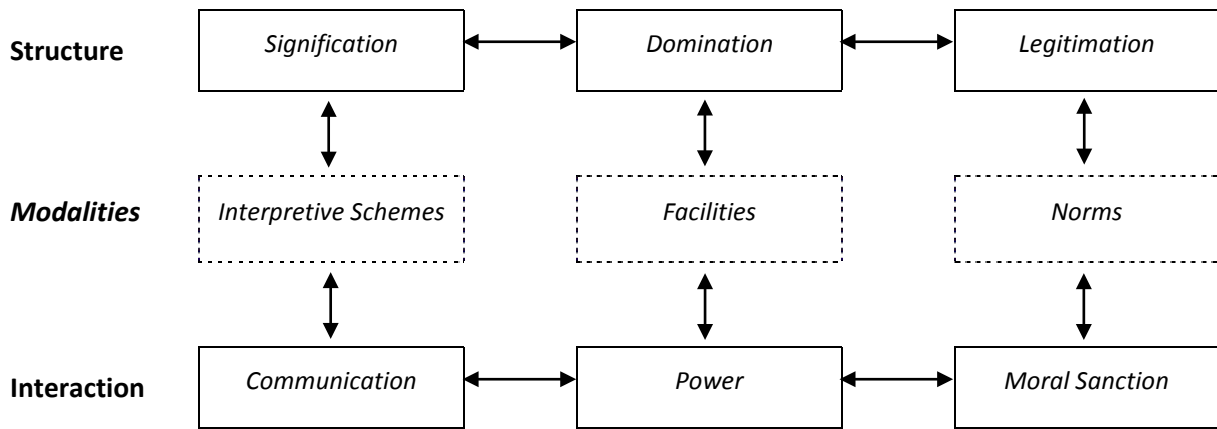


Figure 9: Giddens' model of structuration (1984 p29)

According to Giddens, structure can be understood out of general principles based on categories of signification, domination, and legitimation. Signification concerns itself with how meaning is restricted and enabled to make sense of context. Domination is occupied with how resources are controlled and used to exercise power. And finally legitimation entails how order and values are restricted and enabled (Sydow & Windeler 1998). Since these structures are abstract and non-existent outside the human agency, Giddens introduced the concept of modalities. Modalities are the means by which the bridge between structure and agency is made. There are three kinds of modalities; *'interpretive schemes'*, *'facilities'* and *'norms'*. *'Interpretive schemes'* refer to the frameworks that human agents use to interpret societal reality. *'Facilities'* are those resources which enable the human agent to accomplish his goals and to exercise power. *'Norms'* are than the ways how sanctions and appropriate conduct are governed and how legitimacy is given to actions. Interaction is the activity wherein agents act within a social system, and wherein they express constituted structures through the means of modalities, within and through their communication, sanctioning and utilisation of power.

3.1.5 Structuration

Institutions thus influence how human agents communicate, enact power, and determine which behaviours to sanction and which to reward (Barley and Tolbert 1997). When institutions are influencing the actions of human agents and those actions are influencing in turn the institutions, we can speak of the process of structuration. Structuration is the process whereby the duality of structure is enacted and reproduced over time and space (Rose 1998). This process of structuration can be analysed on two levels. *Social integration* concerns the face-to-face interaction of human agents within a certain time-space region. Or to speak in Giddens' terms, within a definable *durée* in close proximity. *System integration* however refers to the reciprocity between absent agents. It supposes the integration of previously developed institutions that still imposes certain structural properties upon human agents while the 'developers' do not exist in spatial proximity or during the same period as the human agent that now gets to know the institution. Through system integration

the connection is made between the *durée* of the life cycle of a human being, and the *longue durée* of social totalities that have influence upon human agents while the original constituting human agents are long gone.

3.1.6 Change

While structures can be both constraining and enabling, human action cannot be understood without comprehending the structure it enacts or negates. As structure evolves over a certain time-space span and can differ between human agents, the actions of human agents can also vary. When human agents acknowledge varying structures, these structures might be in conflict with each other. Conflicting structures can be present within the agent or can manifest themselves externally through the agency of others. When and how change emerges is however underexposed within structuration theory. Sewell (1992) therefore elaborates on this and poses five reasons why changes in structures can exist. Throughout his reasons as well as in Ehrenhard (2009) we can read that the manner wherein new structures are propagated is through the advancement of (new) other modalities. But since human agents are striving for security, maintaining and enlarging their interests, instantiated structures that contradict their very own could cause conflict. With conflict we do not solely mean head bashing, but also more subtle conflicts like ignoring or altering other enacted structures.

3.1.8 Outline of structuration theory

While the basic premise of structuration theory is simple (*'we create society at the same time as we are created by it'* (Giddens, 1984 pp 14)), it has several consequences for the scope of this research. Therefore the basics should be understood completely before this research continues with using structuration theory. These basics can be summarized in five points:

1. The focus of structuration theory is not the individual action, nor rigid structural constraints, but recurrent social practices. Because social practices constitute both the individual and institutions;
2. Social practices are the result of knowledgeable human agents who have the power to act otherwise. Human agents are not constrained by their institutional contexts since they have the ability to contemplate on their own day-to-day actions (discursive conscious) and have (at least) a tacit knowledge of their actions and what it enacts (practical conscious). Social constraints are thus not open to deterministic objectification since they differ through space and time, and per human agent;
3. On the other hand, these social practices are not completely free from the wits of the human mind. Social practices become ordered and stable across space and time, and they become routinized behaviours. Routinized behaviour results from the desire to minimize sources of anxiety and is an intrinsic human characteristic. These routinized behaviours become visible to other human agents in turn and can become institutionalized features of society which are recreated when human agents use these institutions to guide their behaviour for themselves;
4. Therefore structure is activity-dependent and changes across time and space. It is at the same time the medium and outcome of the process of structuration (the production and reproduction of practices across time and space);

5. Because structure changes over time and space, and is intrinsically personal in nature, various human agents can enact different structures. While discrepancies between structures may not be known, they can become visible when the structures get enacted. When different structures are brought into existence through the propagation of new modalities, contradictions and conflict with other structures could arise. Conflict does not presume severe competition between agents, but can just as much imply latent disagreements or simply the ignoring of a structure.

3.2 Why structuration theory

While structuration theory is developed as a sociological theory it also seems to be useful for this research for several reasons. First, it takes history and context into account to understand agency as path-dependent and socially embedded in ongoing-practices. Such a perspective is as we have argued before missed in the field. While Schuler & Jackson (1995) already emphasised the importance of including context in doing HRM related research, the need for it is still been called for. This can be seen in papers wherein the need for research that includes context and the insider-perspective is propagated for (Kessler et al 1999, Cooke et al 2005, Cooke 2006). And besides the fact that such an approach would fill a gap, we will also get a more elaborate insight into the agency that HR Sourcing strategies invoke. Thereby we can get a more thorough insight into the subject. Secondly, it explores actions with reference to structure, meaning that action cannot be understood without referring to the notions of structures that the agent has. Therefore we can include many aspects that affect the HR Ensemble after HR sourcing commences. This is in line with the writings of Wright & Snell (1998) who argued that the HR Ensemble could be understood through concepts of structure and agency. This is seen in three arguments they made on the fit and flexibility of HRM. At first they state that over time HR becomes a bureaucratic entity that constrains the flexibility of new practices. Thus a rigid HR Ensemble could be understood as a constraining structure of rules and resources. When a large collectivity of employees share the same definitions of what the HR function should look like, it is hard to change it. While at first, shared definitions might reduce conflict it can become problematic as soon as it has to be changed. Finally, there are often political forces which counter the change of the HR Ensemble. Therefore the internal power structure has to be battled to change the HR Ensemble. Thus the ability to transform the HR Ensemble is inherently connected to the structure of the organisation. When the three factors as described above are being watched closely, it can be seen that they align with the three principles of structure, namely (1) signification, (2) legitimation and (3) domination. Therefore we can say that we can comprehend and analyse the HR Ensemble in terms of structuration and we can analyse the HR Sourcing strategy as promoting different structures by introducing new modalities. Thirdly, it places the agents in the centre of the structuration process as active and knowledgeable actors that can counter intended changes. This it does by acknowledging that human agents are knowledgeable beings who can act different than others may desire. The assumption that the strategic motives of senior management are also the motives of the organisation as a whole could be contested (Mintzberg and McHugh 1985). It is argued that just commencing with HR Sourcing is not sufficient for the entire organisation to accept and use it. The decision needs to be effectively communicated, but also re-communicated until it becomes part of the organisational reality of the organisational agents (Hendry 2000). This brings up that HR sourcing strategies are much more than senior management decisions, but also entail the acceptance of the HR sourcing strategy by other organisational agents. Structuration

theory offers us the framework to analyze the factual social practises and place them vis-à-vis with the intensions of the HR Sourcing strategy. Therefore an insight can be developed into the issues that are witnessed after HR sourcing commences and the discrepancy between desired and factual agency.

By applying structuration theory this research will attempt to create insights into the changes that HR sourcing strategies cause on different aspects. The first insight that this approach should foster is which modalities are promoted by which HR Sourcing strategy. Secondly, an insight into the actions of organisational agents will be created to understand their influence upon the HR Ensemble. By generating an extended notion of their actions and complications, HR sourcing should be understood better and in more depth. Finally, the previous two insights should be merged to come to a complete understanding of the dynamics of the transforming HR Ensemble over time. With the insight into how an HR sourcing strategy is promoting new modalities for the HR Ensemble, and how HR Agents are appropriating the HR Ensemble within and through their practices, the dynamics of the developing HR Ensemble, should be better understood. These two developments will be known from now on as the structuration characteristics of the HR Ensemble.

There are however also some weaknesses associated with structuration theory. One remark is that the process of structuration cannot be understood when a single setting is taken into. Thompson (2004) shows this in his discussion on the autobiography of agents, and Whittington (1992) also remarks that “overlapping social systems” can influence social practises within one setting. This complex and abstract nature of structuration theory therefore leads to the conclusion that it should be regarded as a meta-theory. While these critics are not groundless, there are enough researches which showed how these pitfalls can be evaded (e.g. Riley 1983; Barley 1986; Orlikowski 2000; Jarzabkowski 2008) and insights can be generated due to the theory. In the next section we will elaborate further on how these pitfalls can be dealt with while fostering its useful features.

3.3 Applying structuration theory

The hardship to make structuration theory appropriate for empirical research is frequently commented on. This is primarily because, while being processual, the theory focuses on the simultaneous reciprocity between agency and structure. Giddens himself proposes that structuration theory can be made operational by putting a focus upon either the institution or the agent in the process of structuration. This leads to his distinction between the ‘strategic conduct’ and the ‘institutional analysis’ approach (1984 p288). Whereas with strategic conduct the focus is on the appropriation of institutions through actions, with institutional analysis the focus lays on how institutions are enacted by human agents. These notions are adopted by some researchers and many adjusted structuration theory for their own particular research, as was seen in Phipps (2001). Other researchers develop more elaborated models for the empirical application of structuration theory. One of the more known models is from DeSanctis & Poole (1994) who developed Adaptive Structuration Theory, which is used frequently in the IT field. Barley & Tolbert (1997) made another model in which agency and structure are bracketed in different time periods, so that changes in

structure can be analyzed over time. This model offers the opportunity to bracket the reciprocity in time frames so that the appropriation of structures can be understood in a sequential manner.

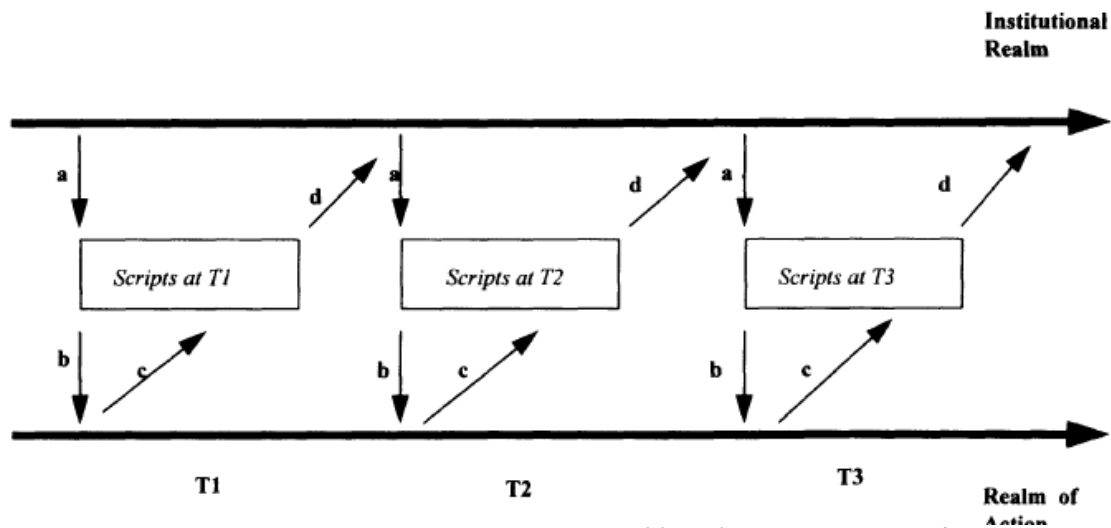


Figure 10: Barley & Tolbert's (1997) sequential model of institutionalization

Barley & Tolbert's (1997) model is depicted in figure 10. The two bold horizontal arrows reflect the two realms of social structure, institution and action, along a certain span of time. The vertical and diagonal arrows depict the duality of social systems. The vertical arrows represent institutional constraints upon the human agents. The diagonal arrows represent the maintenance or appropriation of the institution through action. The (a) arrow reflects the encoding of institutional principles in, as they are called here, 'scripts'. Arrow (b) entails the enactment of scripts that encoded the institutional principles. These two vertical arrows thus concern the institutional constraints. The diagonal arrow (c) depicts the phase wherein human agents revise or adjust the scripts that informed action. The last arrow (d) concerns the objectification and externalization of the executed actions during the specific period. As mentioned, the model brackets the reciprocity in time frames to understand structuration as a sequential process. These time frames are shown in the model through T1, T2 and T3. By comparing these frames with each other, changes can be analyzed and connected with each other. Within these frames we see the so called scripts. Scripts are used as the empirically measurable equivalent of modalities. Scripts are behavioural regularities that are "observable recurrent activities and patterns of interaction characteristic of a particular setting" (Barley & Tolbert 1997; p98). Even though we would like to take distance from 'scripts' as units of analysis, this model offers us the possibility to conduct empirical research and understand data from a structurationist perspective. This model will therefore be appropriated for our purposes in the following chapter.

3.4 Summary

In this chapter structuration theory is introduced as the framework for analyzing the issues that emerge when HR sourcing commences. Structuration theory states that structure is both the means

and the outcome of social practises. Many issues that are mentioned within the literature on HR sourcing can be translated in terms of structuration theory. It also offers a framework to analyze changes in structure and social practises over time. Therefore it is regarded ideal for analyzing managerial agency in conjunction with the changing HR Ensemble due to HR Sourcing. Furthermore it can give insights into the social practises of line and HR managers, and how (or if) their agency influence the structure of the HR Ensemble.

Some weaknesses are associated with structuration theory like its inability to be applied and to deliver results. In paragraph 3.4 it is however shown that the process of structuration can be made measurable by dividing the reciprocal cycle in sequential steps. With that the process becomes measurable and structuration can be bracketed in time frames. This opens the possibility to develop a scientific account on line and HR managers practices with regard to HR sourcing (Hendry 2000).

4. Method

In this chapter the framework will be presented with which we can research the structuration characteristics of the HR Ensemble for different HR Sourcing strategies. We commence by summing up the organisations that participated in this research and will mention the selection criteria. The second paragraph explains how Barley & Tolberts' (1997) model can be adjusted for this research. The concepts from the framework will then be explained in turn and the interview schemes that are developed around it are presented in Appendix A and B. We will conclude by expanding on how the data will be analysed.

4.1 Organisations and Interviews

In order to increase our understanding of the different HR Sourcing strategies, multiple sites are selected. The research is conducted at six organisations. The chosen organisations have sourced a part of their HR processes at least 1,5 years ago, and they were willing to participate with the interviews and the release of some historical data on their HR Sourcing strategy. The organisations that participated are listed in table 1.

Organisation	Sector	Number of employees	Sourcing form	Processes sourced	Year of sourcing	# Inter - viewees
Alfa	Public	18.000	Shared Services	Transactional, Transformational	2005	2
Beta	Energy	10.000	Shared Services	Transactional	2006	2
Charlie	Public	65.000	Shared Services	Transactional	2004	2
Delta	Telecom	30.000	Shared Services / Outsourcing	Transactional, Transformational ¹	2001 / 2008	2
Echo	Services	20.000	Outsourcing	Transactional	2005	1
Foxtrot	Consumer goods	80.000	Outsourcing	Transactional ² , Transformational	2006	2

Table 1: Overview of participating organisations

Within these organisations we interview both line and HR managers. We chose to interview line and HR managers because they are frequently closely connected to the changes that an HR Sourcing strategy invokes. Furthermore, by interviewing both line and HR managers we generate two complementary visions upon the HR Sourcing strategies from different perspectives.

¹ Recruitment and juridical processes have also been outsourced but were not the main focal point of this research

² The focus in this case was primarily upon the transformational processes.

For the interviewees counts that they have to be at least 2 years active within the organisation. The persons which are eligible as line manager are those that have an operational responsibility and a team of people underneath them. The interviewed HR managers are those who are currently carrying the title of HR manager within the organisation and are not part of, or detached by the SSC or outsourcing party. Within each organisation we have interviewed both a line manager and an HR manager. Except in Echo where we only could conduct an interview with an HR manager. The interviews lasted between 35 minutes and one hour. In total this resulted in 8:51 hours of interview data.

4.2 Developing the Interview scheme

Barley & Tolberts (1997) model is used to frame our interview scheme so that we can combine both the concepts of structuration theory as well as the concepts of the HR Ensemble. In figure 11 this framework is depicted. Because we wanted to see the interplay between the institutional dimensions and, as Jarzabkowski (2008) stated, thereby the strategic intentions, we include these aspects as is depicted by arrow (a). The actions of the managers are visualised by arrow (b). The (c) and (d) arrows are depicting the interaction between structure/modalities and agency within the time frames. Since structuration theory puts an important emphasis upon the interaction between agency and structure we have bracketed the HR Sourcing strategy of the organisation in five time frames. While t0 and tX are used to get respectively information on the original situation and the future one, the time frames t1 – t2 – t3 are used to investigate the entire trajectory of the HR Sourcing strategy. Since each organisation has a different history and a varying implementation speed, we did not want to confine ourselves to preset demarcations of these time frames. The focus period of each time frame however can be given. t1 Will be the ‘Initial development’ stage wherein the HR sourcing strategy has just been initiated. To make this time span less abstract this frame will aim itself on the moment between the implementation until 6 months afterwards. The ‘Institutionalized use’ stage (t2) concerns the period between 6 months and 1 year where the HR sourcing relationship should be known by the employees. The ‘Ongoing use’ stage (t3) will reflect the period between 1 year and the date of query. The interview scheme has been constructed around this model. The interview scheme can be found in appendix A and B. The interview scheme is in Dutch since all the interviewees were.

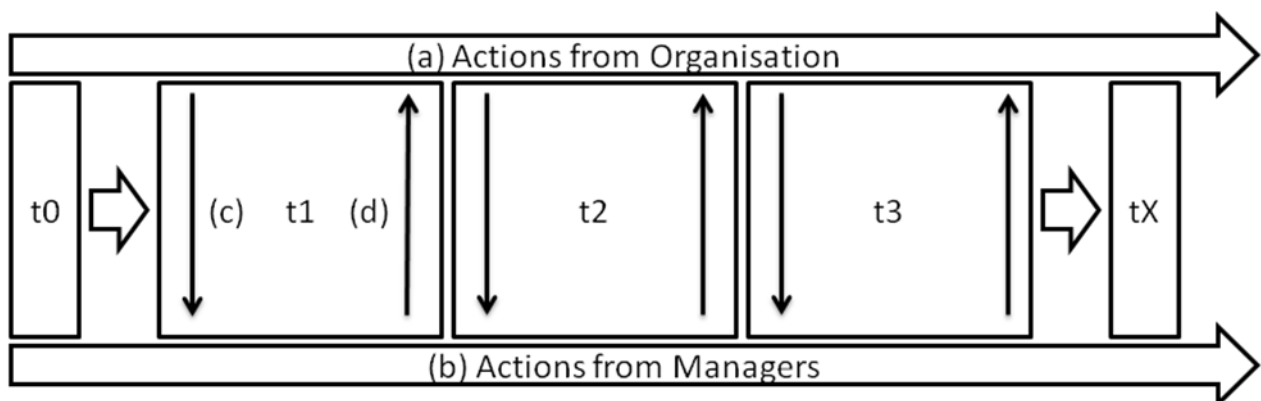


Figure 11: Model for Interview Scheme

4.3 Levels of Analysis

The data that we collect at the mentioned organisations is subjected to our data analysis. This analysis is segregated in three different levels. The first level is the division based on the HR Sourcing strategy. This implies that we make a distinction between the organisations that chose for HR Shared services and those that chose for HR Outsourcing.

The second level of analysis is within the HR Sourcing strategies. Within each group we are looking to the structuration characteristics of the HR Ensemble. To emphasise our focus on the process of structuration we describe four separate steps wherein structuration can be described with regard to the HR Ensemble, which is depicted in figure 12. The first step (A) is to describe the original situation of the HR Ensemble, after which we describe the organisational intentions (or goals) with the HR Sourcing strategy (B). The third step (C) is the analysis of the responses and actions of the line and HR managers. The final step that will be described (D) are the effects of the HR Sourcing strategy in conjunction with the mentioned actions on the HR Ensemble.

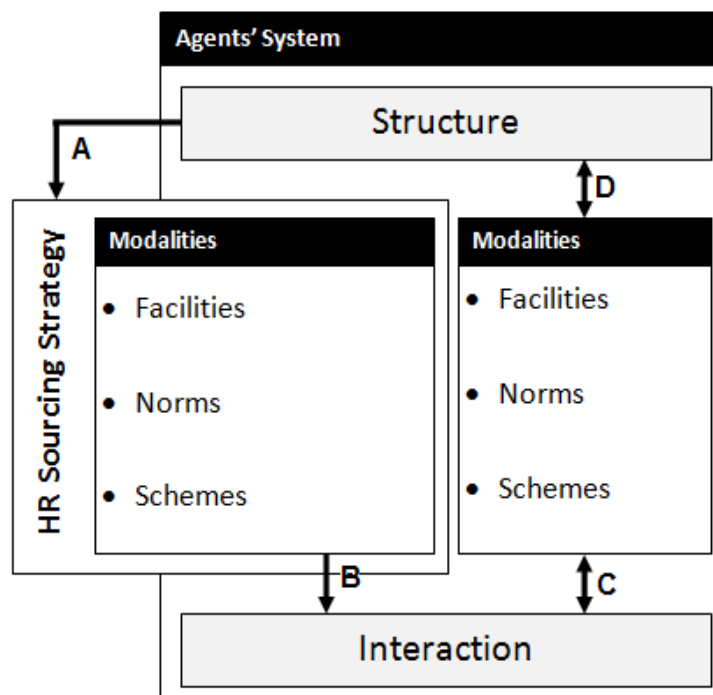


Figure 12: Model for analysing the HR Sourcing strategy in terms of structuration theory

After having analysed the structuration characteristics of the HR Ensemble we come to the third level of analysis. This level will be used to do a cross-HR Sourcing strategy analysis. We will show how the nuances and dynamics within the second level analysis can be perceived and how the differences between the two HR Sourcing strategies can be explained.

5. Findings

In this chapter we will present the interview data while analysing it according to our model. For starters this will show us the original modalities and which modalities the HR Sourcing strategies propagated. Thereafter we will look upon the agency that was invoked by it and how this dynamic influenced the eventual form of the HR Ensemble. Therefore we will give a complete account on the structuration characteristics of the HR Ensembles at the organisations that chose for HR Shared services and those that chose for HR Outsourcing. In the end we will recapitulate on the findings and will take a look upon the differences.

5.1 HR Shared Services and the HR Ensemble

HR Shared services is one of the HR Sourcing strategies that we included in our research. In this part we will look on the structuration characteristics of the HR Ensemble at the organisations that chose for HR Shared services. We have interviewed six agents, which were both line and HR managers, at three organisations. In this section we will describe the contingent characteristics amongst Alfa, Beta and Charlie unless mentioned differently.

5.1.1 HR Shared Services and changes in HR Processes

A. Original situation

In the interviewed organisations where, there were originally several *facilities* around the HR Processes. Firstly there was an office where HR managers were located. This office was always close to the work floor and was used as the central location where employee information was stored and maintained. The HR managers were foremost in control of this information. Information was kept in both paper dossiers and in local digital formats. Many, especially the transactional, HR Processes were executed within that office by a group of HR managers who were isolated of other divisions and HR offices. This resulted in varying isolated practices throughout the organisation. The form and quality of the decisions and practices was therefore strongly connected to the HR managers within that office.

There was a common set of rules of legitimation around the HR Processes which was signified in the mentioned *norms*. The primary norm was that HR Processes should be delivered fast, are customized and helpful to the person that demands them. Hereby not only the added value for the client was shown, but also the *raison d'être* of the HR managers was established and confirmed. So the norm for HR Processes was for them to be timely, customized and personal to the clients.

HR Processes were therefore perceived and judged by the appreciation of the clients, which were foremost line managers and employees. The structure of significance was therefore not visible in formal *schemes*, but the interviewees repeatedly mentioned that their significance was established not in a formalized way but by the mere appreciation of the people they served directly. There were

little procedures or formalised schemes which gave an insight into the quality, timeliness, or satisfaction that was experienced with the HR Processes.

B. Organisational Intentions

The structure around the HR Processes was however intended to alter significantly due to the HR Shared services. This could be witnessed by the introduction and propagation of different modalities as was told by the interviewees. The *facilities* were desired to change in several ways. One movement was the centralisation of resources to one location where economics-of-scale could be achieved. A common aspect of this movement was the digitalisation of the HR information. This caused that information was digitalised in a standard template and became more widely accessible. Digitalisation and standardisation were thus to happen simultaneously. Therefore the location of the knowledge would not anymore be restricted to the HR managers offices, but could be obtained and altered regardless of the location. Therefore eHR portals and call-centres could be set-up and HR managers could be dismissed or moved to the Shared services location. HR Processes therefore would become detached from the workflow since the allocative resources around the HR Processes were altered.

These changes in facilities would be supported by a new set of *norms* that the organisations wanted to establish around HR. Some keywords that signified the intended norms were the call for cost-reductions, effectiveness, efficiency and uniformity. This conflicted with the original norms that existed amongst the line and HR managers.

The structure of signification also had to change if it would comply with the above mentioned norms. Where before the significance was connected to the satisfaction of the individual clients, like line managers and employees, in the new situation this was connected to the satisfaction of the organisation in general. This change of focus also required new interpretative *schemes* to be developed. These were reported to be service level agreements, or key performance indicators, which formalised the interpretative schemes mostly in quantitative measures. Therefore there would be a heavy intensification of interpretative schemes around the HR Processes.

C. Actions

Amongst line managers we saw that there was a lot to say about how HR Processes were performed. Line managements actions were frequently connected to a shared believe in the beneficial effects of HR Sourcing and the advantages that it would bring to the line. Some of the intended norms were therefore supported, but in reality several issues emerged when it came up to the facilities that were offered and the schemes that the organisation wanted to apply. This was expressed by one of the line managers:

“When I need management information and it doesn’t arrive, I can work upon it myself, but that is of course not what we are aiming for. “

This tension between the believe in the added value of HR Shared services and better HR processes on the one side, but on the other the perception that the supplier cannot offer them what they need was commonly mentioned.

There existed a tendency among the HR managers to sanction how HR Processes were performed after the HR Sourcing commenced. For one they disliked the standardization of procedures and that the supplier was not able to aid the organisation with many of its questions. HR managers therefore did not only negate the schemes and facilities that were offered, but also negated the intended norms. For the HR managers little actions which betray acceptance were detected and certainly very few when we compare it with the line's responses. We saw more reactions which showed ambiguity concerning the way the supplier works. This was seen as a sign that HR has taken distance from the supplier and that there was little interest in the way decisions and practices are done by them anymore. This because they have adapted to the new situation and retook the gap that the supplier left in the HR Ensemble.

D. Effects

We thus see that the intended structure of domination was not equal to the one that was enacted by the agents. *Facilities* were but partly used and power was exercised to demand different HR Processes from other HR Agents. Also for none-standardised processes or ad-hoc processes the HR office was most often earlier found than the shared service centre. The experienced complications also caused that line managers were keeping up shadow administrations.

While the line showed its commitment towards the newly proposed *norms*, it did not live up to those norms unambiguously. Helpfulness and personalised aid was deemed very important for both line and HR managers and this decreased the viability of the proposed norms of effectiveness, efficiency and uniformity. The strictness with which these norms were maintained was however loosened and personal requests, like tasks that differed from the standard procedures were accepted in later stadia in order to create more commitment for the shared services.

The communication showed that the *interpretative schemes* like the SLA were not used by both line and HR managers for long times. Only in the ongoing phase interviewees started to refer to partially communicate according to the intended schemes. But even then they were far more concerned with the existing schemes and had difficulties to adjust to the new ones. This had as an effect that the organisation created a client council where clients could express their satisfaction or share the issues that they experienced with the HR Processes. Hereby not only quantitative data could be used to assess success but also the opinions of the 'clients'. But still now the interviewees communicate in terms of the previous schemes when assessing the HR Sourcing strategy and the HR Processes.

5.1.2 HR Shared Services and changes in HR Agents

A. Original

It was hard to identify how the previous division of responsibilities within the HR Ensemble was set. It seemed however that there was a very informal way of defining each ones responsibilities, and the responsibilities were enforced by little *facilities* but the organisational hierarchy. Therefore it was common that line managers who seemed to possess over a great amount of authoritative resources used that to delineate the responsibilities of HR managers.

The structure of legitimation was revealed when we focused upon the mentioned *norms*. We saw that line managers expected HR managers to take over the HR related responsibilities and leave them with the operational responsibilities. The norm was that the line managers and employees were too busy themselves to carry a responsibility for HR processes. Instead they went into the office of the HR managers and dropped their demands there. Besides this inclination it was notified that HR Managers actively requested work from the line managers and employees. Thereby they generated their own significance. The division of responsibilities was therefore not formally controlled but subjected to several norms.

The structure of signification was in the situation prior to the HR Sourcing signified by certain *interpretative schemes*. HR managers were often regarded as people that were redundant on other positions within the organisation, and while this implies a certain scepticism towards HR managers, there was overall satisfaction about the responsibilities that each one carried. It was therefore regarded more important that someone would be capable to perform rather than that he would be good.

B. Organisational Intentions

The commencement of HR Shared services at the analysed organisations caused the propagation of new *facilities* which had to affect the structure of domination around the HR Agents. We saw in all cases that there was chosen for the establishment of a call centre where clients could pose their questions. Besides this there was also the establishment of an eHR portal (although this commenced later on in the trajectory of Alfa) so clients were to take a large degree of self service. Also the geographical displacement or firing of the HR managers to other locations caused that 'resources' were shifted and people had to rely on their own. Therefore the authoritative resources that the line managers had over the HR managers were intended to decrease.

The HR Sourcing strategy intended also a change in propagated *norms*. At first the division of responsibilities was partially determined by the helpfulness of HR managers and the reluctance of line managers to perform HR Processes. In the new situation the division of responsibilities was originating from an ideology who could best perform the task for the least amount of money. There was also a norm that the line should carry more HR responsibilities since it was closer to the employees.

Besides this guiding ideology there were also new *schemes* which should encourage the redistribution of responsibilities. Instead of the focus on 'capability' there was a formal division of responsibilities promoted. The line and employees were instructed to use the shared service centre for certain designated tasks. Besides this there also emerged contracts and agreements which delineated the responsibilities of different agents and thereby the original focus upon capability was opposed.

C. Actions

The line mentioned especially negating responses on the changes concerning the HR Agents. This implies that they disagreed about the way responsibilities were intended to change. It was

frequently seen that line managers asked HR managers to keep on helping them with the sourced HR processes. This can be seen in the following phrase:

“Besides [when it would go wrong] there was also a back-up: the HR manager that remained in the organisation”

Line managers therefore used their *power* to influence the facilities. And as was noticed during the interviews, HR managers were also very helpful and willing to support the line. This did also cause that HR managers were frequently contacted after the HR Shared services were established. The HR Sourcing strategy also implied that there moved more responsibilities towards the line managers themselves. In one case there was some discontent shown but this was primarily connected to the overall work pressure. But in other cases we saw that this was not seen as an issue. Line managers supported this development and found it normal that more responsibilities were placed upon their shoulders since they are closer to their subordinates.

HR managers showed their negation by taking over the responsibilities that were intended to be of the SSC. This was however not solely done because they did not accept the supplier. It could be explained better when we explain their negation as emerging out of their caring and helpful character as can be illustrated by the following quote:

“When it [the supplier] does not work and the line comes to you for help, than you have a choice: to let them down or to feel responsible and help. I chose to do the second.”

And maybe not only because they found it their duty but also because they felt like they didn't have a choice. Sanctions from the line were experienced as was seen in the following quote:

“When we told managers that we couldn't help them they said: So you are good for what?”

And another HR manager stated:

“When I do not go to the organisation myself, I won't get any work.”

This indicates that while the acceptance of the supplier as responsible agent is not problematic, HR managers do affect its responsibilities by taking them over as soon as they notice that it is lacking in a need that the line management desires. Furthermore there are also some responses concerning the new responsibilities that HR managers carry. For one they say that they do not have the time to carry their newly appointed responsibilities because they are still performing their old tasks. But as the previous quote might indicate, it might also be their own choice to cling to their original responsibilities.

D. Effects

We thus saw that the structuration characteristics around the HR Agents led to several complications. The propagated facilities like the call centre and eHR applications were not fully used and the interviewees stated that they did not like to use it. Therefore the organisations redeployed a Shared service centre representative at the organisations to not make the change in facilities to great.

The norm became that responsibilities are formally divided and the emphasis is been put upon the SSC. But when the supplier does not fulfil the line's desires than the line chooses where the responsibility will be positioned. In the ongoing phase we saw however that the line and HR managers promoted the application of the intended division of responsibilities amongst peers.

The schemes concerning the HR Agents are not well adopted. When the line finds it easier to contact the HR manager than the supplier, and they perform the same tasks, than there seems to be a preference for the nearest agent to perform it. That is why we witnessed a chaotic redistribution of responsibilities amongst the several HR Agents.

5.1.3 HR Shared Services and changes in HR Network

A. Original situation

The structure of domination concerning the HR Network was enforced by a few facilities within the organisations. Originally there was always an office on the work location where HR managers were residing. This office was actively used as an open house and the centre to maintain informal relationship between HR managers and line managers or employees. Besides this there was also a reporting structure which coordinated the 'authoritative resources'. This hierarchical control made that HR managers were often directed by the line managers, since they were part of the same division. This was enforced by the divisional structure of the organisations when the sourcing commenced.

The structure of legitimation around the HR Network showed itself through the *norms* that the interviewees mentioned. There was little regard for position and time. Everybody expected that they could make an appeal on HR managers' services at any place any time. This enforced an informal structure that functioned regardless of formal lines.

This was supported by the *interpretative scheme* that HR managers were always accessible for you. HR Managers were seen as a helpful and supportive group of people, and were regarded to be close to the work floor in order them to remain that way. Therefore line managers enforced the informal connections in order to get precisely what they wanted.

B. Organisational Intentions

The HR Sourcing strategy promoted the abolishment of informal structures and replacement by formal lines and virtual structures. The abolishment was achieved by dismissing HR managers and moving the ones left to locations in other geographical areas, like at the Shared services location. Since informal structures are primarily depending upon close contact, which often implies face-to-face contact, this was deemed hard in the new situation. This change was all made possible with the new *facilities* like call centres and eHR applications. The HR managers that remained within the organisation, but were to take a more advisory responsibility, were however expected to maintain lines with other organisational agents but more formalized. The eHR applications would cause that HR Processes could be provided through virtual structures.

The introduction of these new facilities and the redistribution of the resources also implied that the organisation intended the establishment of new *norms*. The interviewees showed that the

organisation wanted to have a more formalized, procedure based way of interaction between the HR Agents. The HR Network thus was to become structured around the norm of formality.

This was enforced by evenly formal *schemes*. Service level agreements clearly showed which units and/divisions were in contact with the supplier and for what services they should maintain the formal lines. Besides this there were also schemes on who could do what programmed within the virtual structures.

C. Actions

The responses that were seen after HR Shared services commenced varied strongly in their connotations. The negative ones were foremost concerned with the lack of personal contact with the supplier. The informal way of process provision was therefore missed. But in general there were many ambiguous reactions amongst line managers about the way the HR processes were provided. This can be seen in a quote of a line manager:

“Eventually you will look for the lines. You cannot say that there is no other way. You will go to either your HR person or you find your way to the SSC”

The frequent introduction of electronic HR applications which enact the virtual structure is not perceived as problematic unless it undermines the authority of the line. This did not happen often but in some cases the organisational hierarchy was not respected by the virtual structure.

The average response of HR managers can be seen as a strong negating one. Initially in the implementation phase there was heavy negation against the emergence of the supplier which was often connected to the relocation of many HR managers who became forcefully part of the supplier. The idea that they become ‘call centre’ employees and thus will lose many informal contacts was hard to accept for many. Especially big geographical displacements were heavily criticised. But on the other hand this was deemed necessary in order to enforce a split with the old HR Network. We also saw that HR understood the impact of maintaining the old HR network as became clear by the following quote:

“When you leave someone [HR Manager] on the location, then you are within no-time back to the old situation.”

D. Effects

The actions of the managers led to the redefinition of the lines. We see that there was a need for the maintenance of informal structures and thus the intended *facilities* were but partially used. The line regards the close contact comfortable and a necessity to get the personalised HR Processes that they desired, as was seen in subparagraph 5.1.1. The offered facilities did not correspond to that need and therefore informal connections were forged between HR advisors and line managers to maintain the informality.

The formalised norms were maintained by the organisation and employees were still expected to use solely the formal channels. The original norm that you could make an appeal on HR managers every time was however strongly maintained. One of the consequences was that ‘HR Advisors’

within the organisation were getting a request overload since they were closer to the line than the SSC.

The scheme that the SSC was not capable to deliver the quality of processes that the clients desired was hereby enforced. Because there was a big distance felt and little efforts were made to close this gap, line managers kept on preferring the HR Advisors rather than the SSC. We thus saw very little changes in schemes to occur.

5.2 HR Outsourcing and the HR Ensemble

The other HR Sourcing strategy that we included in this research is HR Outsourcing. We have interviewed in total five persons, both line and HR managers, within three organisations. These organisations are Delta, Echo and Foxtrot and several facts on them can be found in table 1 Foxtrot is unique in that it did not experience a centralisation. Therefore we will sometimes talk of Delta and Echo in isolation of Foxtrot. This will be specifically mentioned, so if not, the findings can be found valid for the three organisations. In this section we will describe the similarities that we perceived among those three organisations. We will elaborate on the structuration characteristics of the HR Ensemble as they occurred after HR Outsourcing commenced.

5.2.1 HR Outsourcing and Changes in HR Processes

A) Original situation

The original situation concerning the HR Processes was very much alike to the organisations which chose for HR Shared services. This means that the structure of domination was seen in a few *facilities*. There were however HR offices close to the employees and those were used as a hub for storing information and executing HR Processes. These offices were spread over the divisions in the cases of Delta and Echo. Knowledge was there dispersed and isolated, and the information quality was very dependent upon the HR managers. In Foxtrot there was just one office so the problem of isolated practices was not seen. The dependency upon the quality of HR managers was however just as strong.

What was provided was influenced by a set of rules of legitimation. These were seen in propagated *norms* like 'being reliable and 'being dutiful'. Amongst the HR managers their existed the believe that they were the most suitable agents for the job. But it was openly doubted if this was the case since many of them did not choose for the position or tasks out of conviction or due to their education, but were placed at the HR office because they were redundant at other positions. HR Processes were therefore subjected to norms of duty and compliance with the clients desires rather than quality itself.

There were little interpretative *schemes* except those that focused upon the obedience of HR Managers. There was little eye for procedures or results. The one thing that counted was that everybody did what was asked. This showed that the structure of signification concerning HR Processes was foremost based on obedience and compliance and a satisfied demander.

B) Organisational intentions

The HR Outsourcing strategy was intended to change the structures of domination severely. The prime difference that would occur was that external *facilities* were accessible to the organisation. External expertise, eHR applications and knowledge networks were offered by the suppliers. This caused that the nature of HR Processes could be altered. First HR Processes were to be standardized to get more uniformity throughout the organisation. Secondly there was a heavier emphasis on the timeliness of HR Processes. And finally the organisations invested in quality improvements by offering the personnel of the supplier financial benefits and education.

The intention was also to change the *norms* around HR Processes. The norms had to be more focused upon effectiveness, cost-efficiency, uniformity of processes. A norm that was also propagated, to a lesser or bigger extent, at the organisations was to be more innovative. One of the reasons for choosing the supplier was that it could contribute to the increasing innovation of HR Processes, which had to result in better process quality for the employees. But much more important was that the organisation and supplier wanted to live on good terms with each other and chose for a partnership based contract so that complications could be mentioned without hesitation.

The HR Processes were packed up in new schemes. For one it was very accurately described what the HR Processes were composed of and how they should be performed. The HR Processes were continuously judged in multiple ways like through enquiries for customer satisfaction and by key performance indicators. Thus the quality and nature of the HR Processes was made 'objective' in figures and text. Besides this there were to be also several meetings each month to discuss about the state of affairs.

C) Actions

The changes in HR Processes did not cause much upheaval since the interview data primarily shows signs of equanimity. The changes in HR Processes encountered little resistance of line managers. One HR manager stated that because of the supplier also the line delivered the information better and the transactional tasks could be performed more efficient. Acceptance was also seen by an HR managers who stated that HR works more efficient and the administrative burden has decreased. Especially in Foxtrot both HR and line managers were very content with the changes and were willing to aid the supplier. The only signs of *power* that were perceived were from HR managers. The centralisation was by many of them experienced as a downturn on service quality and the outsourcing as the marginalisation of HR Processes:

"The HR Managers did not believe that they[the supplier] could do the same as them."

But these actions did have little effect upon the process. One HR manager gave away a hint why little power was used against the HR Outsourcing when it concerned the HR Processes:

"We were not afraid for it, because to be honest, it could only get better"

The standardisation and alterations of HR Processes were little sanctioned. The previous established norms of being dutiful was also not damaged, since the suppliers did offer what was expected. Only at Echo we saw that when this eventually did not happen, managers were fast with stating that the

supplier should be expelled. But this overall lack of *sanctions* can be seen in line with the advocated schemes of partnerships. This was clear in the following statement of a line manager:

“Every single time when the supplier makes a mistake, I asked myself if we wouldn’t have done exactly the same”

This was very illustrative for how the organisations and the suppliers cooperated with each other. And even though there were plentiful interpretative schemes available to be used, like the SLA’s and no-claims bonus systems, there was still a strong preference to *communicate* on the basis of cooperation. So managers also helped the supplier with promotional talks for other divisions.

D) Effects

We saw that, like at the organisations that chose for HR Shared services, also here the centralisation of HR Processes caused upheaval. But unlike at the Shared service the resistance dropped fast. A potential reason for this might be that people had better career prospects. Another explanation can be found in the persistence of the organisation which showed the HR managers that there was no way back. And in each organisation we heard that the new *facilities* were appreciated and that the quality of the HR Processes improved with regard to the original situation.

The acceptance of the facilities might have caused the earlier acceptance of *norms*. But the smooth transition might have another reason. Effectiveness and innovation could become established norms since the previous norm of being dutiful was not harassed by the HR Sourcing strategy. The tasks were still fulfilled and nobody was harassed in his duty.

The implementation of the new *schemes* can also be said to have occurred. The HR managers were familiar with the SLA’s and the KPI’s that were mentioned within them. Therefore they knew what their official new responsibilities were and where they were judged upon. However these agreements were solely used to interpret the actions of the supplier, not to fully judge them since this is in contrast with the partnership basis that was chosen. Therefore the original schemes were deemed most important, and this was confirmed by the communication of the line managers.

5.2.2 HR Outsourcing and Changes in HR Agents

A) Original situation

The structure of domination around HR Agents was shown through *facilities* that restrict and enhance the division of responsibilities. Just as with HR Shared services we saw that the original situation was one where responsibilities were determined by the persons who possessed the greater amount of authoritative resources. In the organisations it was seen that the responsibilities were set unilateral by line managers. They decided what the HR managers had to do or could do and HR managers made little requests on the line to alter their actions themselves.

The *norm* was that HR managers took over the responsibility of tasks from line managers. Just as we saw at the organisations who chose for HR Shared services, the original situation was that HR managers were the ones who performed tasks that the line didn’t have time for. But in contrary to organisations who chose for Shared services it was not perceived that HR actively demanded work

from the line managers. HR managers seemed to be less proactive than their HR Shared services counterparts.

Also when it concerned the structure of signification it seemed that there were similarities between the *schemes* of organisations that chose for HR Shared services and those that chose for HR Outsourcing. The HR managers were also frequently seen as agents that were redundant on other positions within the organisation. Their quality and knowledge was not highly regarded and their responsibility was foremost connected to the fact that they were capable to perform the tasks.

B) Organisational intentions

HR Outsourcing was intended to bring new *facilities* that would affect the structure around HR Agents. The supplier was to be a new HR Agent that would have the responsibility for several designated HR Processes. The intention was however also that the supplier would gain the authoritative resources to have power over the employees that they serve. In the case of Foxtrot this meant in the first place that the supplier took place in the HR office. But for all organisations this meant that the supplier would have influence upon the responsibilities of other HR Agents. Line managers for instance were all given new tasks in order to act different and contribute to better HR Processes.

The *norms* that were intended to be introduced were that everybody was responsible for the quality of the HR Processes. Delta expressed this really clear with their 'one HR' model. But also the other organisations clearly stated that they wanted to aim themselves more on collaboration on top of the previous division of responsibilities based on capability. Following this line of thought Delta, Echo and Foxtrot did not broadly communicate that their HR Processes were to be outsourced, since it was their believe that it shouldn't matter who performed it. But the organisations also developed new schemes to ensure that people would use the supplier.

The *interpretative scheme* that fitted with this is that there was no clear separation between responsibilities between HR Agents. With this it was meant that everybody was responsible for HR Processes and that complications shouldn't be blamed on one party. Therefore there were multiple organs introduced where the client and supplier could share their thoughts.

C) Actions

Line managers used their *power* to comply with the demands from the supplier and consequently altered their behaviour and carried more responsibility. It was reported in Echo that before the HR Outsourcing commenced, 70% of the material that the line provided to the HR Managers was containing one or more errors. Therefore there was also an heavy emphasis upon the new responsibilities for line managers, and they accepted that. This was also illustrated by the following line manager:

"More responsibility for the line was experienced, but less authority"

This tendency was however not experienced too negative by the line. Possibly because they also experienced a lot of advantages in the new situation. The HR managers were first not happy with the

switch of responsibilities. This however changed after a while which is illustrated by the following quote:

“We were a cost centre here, and there we became core-business ... and that is a lot more pleasant”

Responsibilities were *sanctioned* from two perspectives. Firstly the supplier was said to not offer everything that was desired because it would conflict with the agreements made. Therefore sometimes the managers heard a ‘no’ to their requests. Secondly also the managers themselves altered the responsibilities by sanctioning the people at the supplier. So did Delta have much influence upon the employment policy of the supplier, and Echo expressed its discontent towards certain agents within the supplier. But these sanctions also enforced the acceptance of the different norms. Instead of the dutifulness there came a focus upon efficiency and innovation. A focus that was experienced as pleasant and this change in attitude was expressed in the following phrase:

“People were realizing that they were doing a real profession, and than they also enjoyed it much more”

The new way of provision was also connected with increased career opportunities. This was foremost seen in the cases where there was an outsourcer who took over some HR managers. Being part of an external specialised organisation that was claimed to improve career possibilities of the previous HR managers. This positive *communication* was said to have increased the acceptance of the new way of process provision.

D) Effects

Those actions caused that the *facilities* were accepted and reconstituted the structure of domination. The authoritative resources were altered but this did not seem to cause much upheaval and made it possible that the responsibilities could be redistributed and there emerged a common need to do HR Processes right.

This also caused that the *norms* were altered significantly. While before there was a heavy emphasis upon the capability and duties of HR Agents, now there came a focus upon the mutual readjustment of actions in order HR Processes to be performed well. This collaborative approach made that HR became a common responsibility of all instead of solely the HR manager.

This enforced also that the new *schemes* like honesty and openness were propagated. Since everyone had a responsibility, also the input of different agents became important. Thus where before HR was seen as a function where redundant people were placed, the new situation was harder to assess. This because everybody carried the responsibility and pointing at a black sheep was not the habit anymore. Therefore negative comments about another were heavily disapproved.

A) Original situation

Originally the structure of domination around the HR Network was enforced by few *facilities*. HR managers were close to the line and employees because their office was located near the work floor. However, as mentioned earlier, the line did not have a high regard of HR managers and the contacts between employees, line managers and the HR managers were more formal than informal. Because the HR managers were positioned within the divisions and were hierarchically below the line, managers also regarded this to be just.

The original structure of legitimation was equal to that of the organisations that chose for HR Shared services. The *norm* for HR managers was to be approachable at anytime. Making appointments with HR managers was not regarded necessary and thus the connections between employees and HR managers was incidental and transient.

The interpretative schemes on how HR managers were positioned and how the HR processes should be delivered were also similar to the original schemes of the organisations which chose for HR Shared services. HR was placed close to the work floor and within the organisational divisions. And congruent with the norm of approachability HR managers were perceived as persons with who you had personal contact with, face-to-face. HR managers were therefore expected to be close to the work floor in order to be helpful and effective.

B) Organisational intentions

Through the introduction of HR Outsourcing the responsibilities for certain HR Processes were propagated to be placed external to the organisation. The connections with the organisation were however to be maintained through several facilities. The previously mentioned introduction of call centres and eHR applications at Delta and Echo did not only alter the structure around HR Processes and HR Agents, it also had effects on the HR Network. HR managers were to be removed from the work floor and moved to a new geographical location. This caused that the accessibility was altered since no face-to-face contact was possible anymore. In Foxtrot this was not the case, since the deal was made that the supplier would have take place into the HR office.

The desire was however in all organisations to keep the accessibility high. The original norm was therefore to be maintained and had to be achieved by propagating several measures. At Delta and Echo this was happening by making sure the people at the supplier knew the organisation. This means that there was an emphasis on the importance of knowledge of the organisation in order to deliver HR Processes in an acceptable and informal manner. Besides this, all organisations wanted it to be kept secret towards the organisation that certain HR Processes were outsourced. Thereby the organisations tried to prevent alienation towards the supplier.

Therefore the supplier also had to adapt to certain schemes. When the organisation called to the call centre or spoke to a representative of the supplier, they had to act as if they were member of the organisation. So the only sign that showed that the supplier was external should be the contract and should only be known by the stakeholders who have a direct need to know that. The new way of

Process delivery was however very well communicated and was part of the redistribution of responsibilities. Line managers for instance got courses or were instructed how to deal with the new facilities and connections.

C) Actions

The movement from the nearby offices to the centralised locations at Delta and Echo led to resistance amongst HR managers. They attached strongly to the personal touch of their work and did not want to be relocated. This was expressed through the heavy involvement of the works council which combated the centralisation and the outsourcing. At Foxtrot this tendency was not experienced since the HR managers were not affected by the outsourcing. The line managers however were stoic about these developments. This was expressed by one of the HR managers:

“the operations are a black box and the managers don’t care less if we do it ourselves or an external supplier”

This was indeed confirmed since the general reaction was one of ambiguity. Amongst the people who were aware of the changes was resignation in what was going to happen since it couldn’t be stopped. But the fact that the HR Processes got provided by an external supplier was not often known by many organisational members.

The only remarks of discontent with the changing *norms* were heard at Delta and Echo where the lack of personal contact between the line and HR managers was missed. There was the idea that it was comfortable to talk about ‘people’ issues face-to-face. Because the HR managers that stayed within the organisation were fully occupied with advisory tasks the line missed the personal connection with HR. So these changes were sanctioned, but little power was applied to change this situation. This however did not occur at Foxtrot since the HR Network was not so fiercely altered and in fact was untouched. This was told by the HR manager of Foxtrot:

“Fortunately we were not a threat. Of course it can affect jobs, but that wasn’t the case here.”

Since line managers were instructed to use the new facilities without knowing who was behind these facilities (the supplier) there was little awareness of the entire transformation that HR had undergone. So overall we see many ambiguous reactions on the HR Outsourcing. Line managers seemed to be stoic about the HR Network for the sourced HR Processes. This was also shown by a line manager who said the following:

“When you discover that it [the HR Processes] was outsourced with a big bang, than I haven’t noticed it at all”

D) Effects

So in conclusion the *facilities* have been altered significantly but how this was perceived has been very diverse. While HR managers were very discontent with the centralization and outsourcing at Delta and Echo, their line managers were almost completely stoic about it. The facilities that were

introduced were fully accepted by them and were regarded advantageous, and finally also the HR managers resigned to their fate and showed to be happy with the HR Sourcing strategy.

The norms remained the same. The lack of personal contact was regarded to be a downturn at Delta and Echo but no power was exercised to recover this personal contact. This because the accessibility was kept high and the personal touch was enforced by a supplier who knew the organisation. The norm of accessibility thus was therefore still strongly present and was enforced by the facilities like eHR applications and the call centres which gave the clients the opportunity to always go somewhere with their question. Therefore little alienation was experienced.

The propagated schemes were also adapted. The supplier profiled itself as a part of the organisation and little people knew about the actual nature of the supplier. This was seen because multiple agents said to be surprised when they were told when the outsourcing actually occurred. Therefore the scheme of informal contact and close distance was still experienced.

5.3 Discussion

In this paragraph we will advance our findings and discuss how the original and intended modalities were involved in the agency of line and HR managers. And consequently, how this interplay was part of the structuration characteristics. An overview of the original and intended modalities, grounded in our findings, is given in Appendix C. This overview shows how each HR Sourcing strategy propagated different modalities while the original modalities amongst the organisations were similar. We will therefore also discuss to what extend these differences in intended modalities were invoking the varying changes in the HR Ensemble. To conclude this paragraph and chapter we will compare the two different structuration characteristics and give recommendations on how to invoke certain changes through HR Sourcing strategies.

5.3.1 Structuration characteristics for HR Shared services

The HR Shared services organisations propagated rationalised *norms* which were incongruent with the norms of the line and HR managers. The HR Ensemble was originally defined by norms of accessibility, customization, and obedience to hierarchical positions. But the intended norms required that the managers would adapt norms that broke strongly with the original ones. The intended norms were namely implying a focus upon efficiency, cost-reductions and contractual based responsibilities.

The *interpretative schemes* had to change accordingly with the altered norms. While originally appreciation, capability and proximity of HR managers, were characteristic words for defining the schemes, they were propagated to be more formalised. The organisation was a proponent of interpreting the HR Ensemble in more formal terms whereby SLA's and KPI's were used to assess the HR Ensemble.

Finally the *facilities* were the most heavily influenced. The original situation could be defined as one wherein the HR office and the HR managers were the prime 'resources' on which the quality and

nature of the HR Processes, responsibilities, and connections, were depending. In the new situation other facilities were introduced. These facilities could be perceived from two perspectives; authoritative resources and allocative resources. Authoritative resources were changed by dismissing HR managers, transferring them to a centralised location, and by creating distance between the SSC and the work floor. Also the removal of authoritative resources from the line, and the abolishment of informal structures can be seen as a part of the intended changes in authoritative resources. The allocative resources were promoted to change through the introduction of new applications. Firstly the digitalisation of HR Processes was commenced, secondly eHR applications and call centres were propagated to give line managers and employees more self-service possibilities.

We saw that these intended alterations in the modalities invoked several actions amongst line and HR managers. It was generally accepted that the HR Ensemble was altered. It was understood that the original form was not beneficial to the organisation and could be improved on several points. The HR Sourcing strategy was however negated in the agency of managers on several points. Facilities like eHR applications and call centres were not utilised since they did not comply with the desires of the managers. Also little personal attention was given to the desires of the line and the complications that they experienced. This contested with their norm for personal attention that HR managers did give. Therefore they pertained to their authoritative resources to influence HR managers to perform the HR Processes. This implies that HR managers were still performing the processes instead of the SSC. It also implied that the newly attributed responsibilities for HR managers could not be carried, because they were preoccupied with the desires of line managers. HR managers didn't seem to bother since they felt responsible for the complications that were experienced. The propagated norm of uniformity could therefore not be achieved since the norm of personalised attention was not fulfilled.

The organisations that chose for HR Shared services have therefore experienced several changes of the HR Ensemble. We have summed up these changes with regard to the structures of domination (d), legitimation (l) and signification (s) that are connected to the HR Ensemble. This is depicted in figure 13.

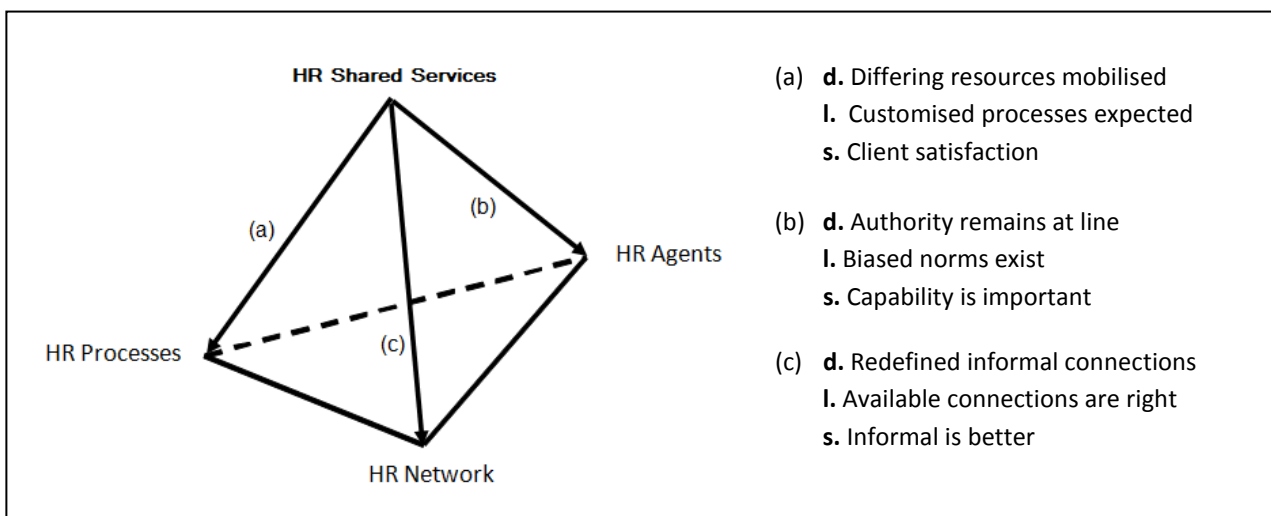


Figure 13: Effects of HR Shared Services on the HR Ensemble

When we take the previous structuration characteristics into account we must affirm that the *desired processes were not provided*. Many agents experienced that the supplier did not live up to expectations and the HR processes were below expectations. This caused that, in correspondence with the effects on the HR Agents, a *multiplicity of HR Processes* emerged since the different HR Agents were evading the supplier and demanded the HR Processes from each other. This also invoked the creation of shadow administrations. Thus the HR Agents retained the *original distribution of responsibilities*. This tendency was enforced because the managers felt a distance between them and the SSC. The little attention that there was for the complaints of the managers also caused that they felt alienated from the SSC. We saw that organisations responded to this by sending an *SSC contact person to the work floor* to re-establish the responsibilities of the SSC and to increase the accessibility of the SSC.

5.3.1 Structuration characteristics for HR Outsourcing

The organisations that chose for HR Outsourcing chose for rather similar norms which were seemingly well accepted by line and HR managers. In the original situation the HR Ensemble was surrounded by norms of compliancy with line's desires, high approachability and accessibility. The organisations seemed to respect these norms and did not want to alter them excessively. The norms that were propagated were therefore aimed on innovation, collaboration, and accessibility.

The interpretative schemes also were subjected to the same development. Originally the HR Ensemble was understood by schemes of who was capable, who could comply to the wishes of clients and who was being personal and in the proximity of the business. Due to the HR Outsourcing some new schemes were introduced while some old ones were also actively propagated. Formal schemes like SLA's and contracts were introduced, but were only used as the backbone of the HR Sourcing strategy. Schemes like customer satisfaction surveys, emphasis on understanding and collaborating with each other, and personal attention for the clients, was deemed equally important to assess the HR Sourcing strategy. Enough attention therefore remained for the desires of managers and the original schemes were little affected.

Just as with the organisations that chose for HR Shared services the facilities changed radically. However these changes were bigger at Delta and Echo and to a lesser extent at Foxtrot. These changes could also be perceived from the perspective of authoritative and allocative resources. Originally a lot of authoritative resources were positioned on the line managers and this greatly influenced the shape of the HR Ensemble. The line managers could exercise their power on the HR managers and on the way how they performed the HR Processes. The intentions modalities had as goal to alter both the authoritative and allocative resources radically. The authoritative resources would move from the line managers to a more broad array of HR Agents. This means that line managers would also be influenced to change their actions. The allocative resources were changed because new 'external' facilities were gained. Facilities like call centres, eHR applications and external networks of knowledge. These changes also putted a stronger focus on self-service around the HR Ensemble.

We saw that these intended alterations in the modalities caused several actions amongst line and HR managers. Line managers reacted rather stoic against the intended changes in facilities. The

redistribution of authoritative resources was seen as an understandable development and the allocative resources that were offered to them were used and accepted. While the HR managers that were affected by the outsourcing showed initially a great amount of negating actions, this attitude changed over time. By means of increased career opportunities and education this movement was accepted. Also the HR managers that gained a more transformational responsibility were happy with the HR Sourcing strategy. The norms that were propagated and the schemes that were used did not conflict with the original ones and therefore very little negating agency against the HR Sourcing strategy was witnessed.

The organisations that chose for HR Outsourcing have therefore experienced several changes of the HR Ensemble. We have summed up these changes with regard to the structures of domination (d), legitimation (l) and signification (s) that are connected to the HR Ensemble. This is depicted in figure 14.

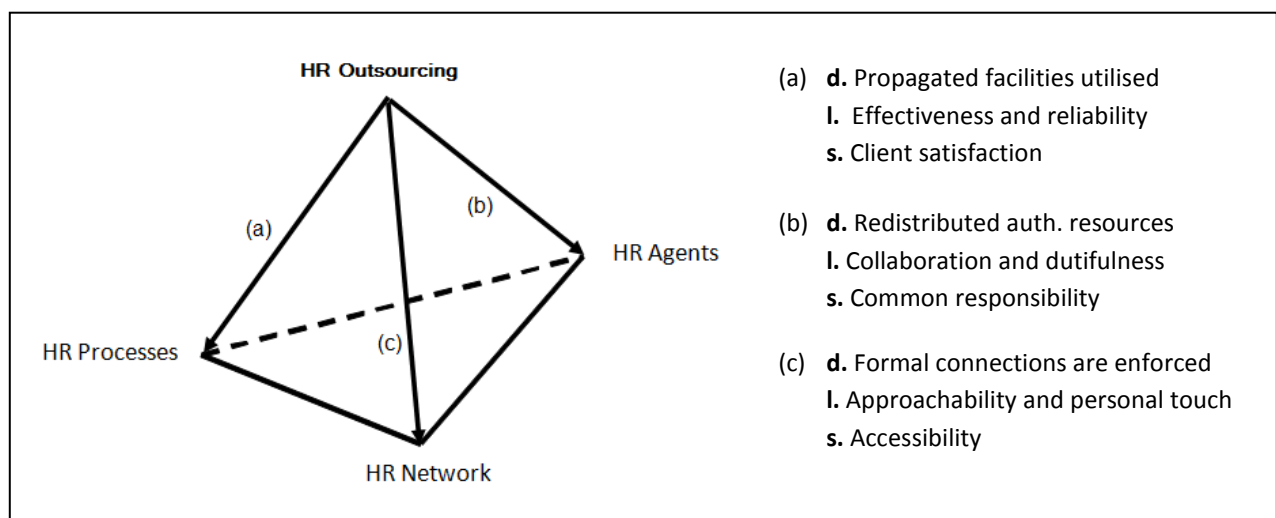


Figure 14: Effects of HR Outsourcing on the HR Ensemble

When we take the previous structuration characteristics into account we must affirm that *uniformity of processes* was created, i.e. the processes were performed in a more standardised manner. Also the *compliance with the service level agreements* has positively been introduced within those organisations. This occurred simultaneously with the changes concerning the HR Agents. We saw that not only the responsibilities moved from the HR managers towards the supplier, but also that the *responsibilities spread* over multiple HR agents. This was enforced by the contracts that were developed on a partnership basis and enforced *cooperation* between the different HR Agents. The abolishment and *removal of the informal structure* that existed between the line managers and HR managers happened rather smooth and might have been made possible because the *supplier always was very approachable*.

5.3.3 Comparing the structuration characteristics

Following the findings we can say that the original modalities of the both groups of organisations were similar. However their intentions on how the modalities should be transformed were different from each other. Not always were the intentions accepted by the managers and some maintained

the original structure. The structuration characteristics of both types of HR Sourcing strategies had some effects on how the HR Ensemble changed. In table 2 we see an overview of the different effects that were witnessed at the both groups of organisations in terms of structure.

	HR Shared services	HR Outsourcing
HR Processes	<ul style="list-style-type: none"> d. Differing resources mobilised l. Customised processes expected s. Client satisfaction 	<ul style="list-style-type: none"> d. Propagated facilities utilised l. Effectiveness and reliability s. Client satisfaction
HR Agents	<ul style="list-style-type: none"> d. Authority remains at line l. Biased norms exist s. Capability is important 	<ul style="list-style-type: none"> d. Redistributed auth. resources l. Collaboration and dutifulness s. Common responsibility
HR Network	<ul style="list-style-type: none"> d. Redefined informal connections l. Available connections are right s. Informal is better 	<ul style="list-style-type: none"> d. Formal connections are enforced l. Approachability and personal touch s. Accessibility

Table 2: Effects of the structuration characteristics for HR Shared services and HR Outsourcing

These changes in structure caused that at the organisations that chose for HR Shared services a multiplicity of forms of the HR Processes were invoked. Also the responsibilities amongst HR Agents were much more spread than intended. And finally the HR Network was alienating managers from HRM. The organisations that chose for HR Outsourcing had experienced standardised and better HR Processes. HR Agents that feel a shared responsibility and collaborate with each other. And the HR Network can be characterised by formal but personal connections.

It requires therefore little argue that the interviewees at the HR Outsourcing organisations stated that they were positive or even very positive about the HR Sourcing strategy. This cannot be said of the interviewees at the HR Shared services organisation who we asked the same question. Those interviewees responded with biased views upon the HR Sourcing strategy but were expecting good things to happen in the near future. So when we compare the findings, and when we take into account that HR Outsourcing was regarded to be more positive, we can propose several recommendations that should foster positive structuration characteristics. By altering several aspects within the HR Sourcing strategy we believe that different processes of structuration will occur and therefore more positive effects will be measured. Therefore we will mention five distinguishable points which were seemingly invoking positive structuration characteristics.

1. Break ties with original facilities and restrain line managers from depending on HR managers

The organisations that chose for HR Shared services experienced that HR managers who stayed close to the work floor still got requests from line managers. Moreover the SSC's eventually sent a representative to enhance the contact between the work floor and the SSC because the line managers were maintaining too much contact with the HR advisors/managers. We would like to pose that this is the cause for the alienation that is experienced towards the SSC. In several cases we saw that line managers are stoic about the redistribution of the responsibilities and are not opposing to an increase in workload. Therefore an emphasis should be placed on making line management more capable of dealing within the new HR Ensemble, rather than guarding the original situation in case that complications emerge. Therefore we would promote to bring in many new facilities.

2. Leave schemes of the clients to communicate with the supplier similar to the original ones

A finding which caught our attention was that organisations decided to keep it 'secret' that HR Processes got outsourced. In every organisation it was reported that line managers often did not know that the supplier was an external party. While centralisation and thus the physical removal of people was often noticed, the fact that they were not part of the client organisation often was not. It was a conscious choice not to communicate about it within the organisations. Therefore we saw that there were some efforts made to make sure it was not noticed. Email addresses and telephone numbers staid for example the same, as was the case at Delta and Echo. And at Foxtrot the supplier was taking office at the client location, near the HR managers. Thereby the original schemes were not opposed and it was not told that they were external to the organisation.

3. Do not focus exclusively on cost motive

A fourth difference that we encountered was that in the cases which chose for outsourcing there was a bigger focus upon increasing the quality when compared with the HR Shared services organisations. Those had a bigger emphasis on the reduction of costs and efficiency. This economical motive that was seen at our researched cases might be the cause why eventually complications were growing. This point was also accentuated by Buisman (2009) who showed that the more the organisation pertained to its SLA, that focused on costs, the more dissatisfied people where with the HR SSC. Reasoning from a cost-motive might thus be an improper mindset for commencing an HR Sourcing strategy.

4. Invest in the education and benefits of the supplier's personnel

A second difference that was mentioned was that being part of an outsourcer improved the career chances and the labour agreement of the (ex) HR managers. So when they are taken over by the supplier this change does not only have to be perceived negatively but can also be seen as a positive development. We saw that both Delta and Echo spent considerable effort in the smooth transition and also invested in the education and support of those who were affected. This caused higher motivation and dedication towards their tasks. Therefore we can connect this to the positive aspect that it can influence on the HR Processes quality.

5. Understand the HR Processes in every single detail

We saw that at several organisations that the complexity of simple HR Processes was not understood. Many believe that HR is not difficult to manage (Bonabeau 2003), this while also in our research this has been proven unjust. Because the HR Processes were not understood to the very detail, modalities were promoted that could not be supported by the line and HR managers. Lack of knowledge made that the discrepancy between the intended and the original situation was too big. This caused among others that facilities were wrongly introduced and HR Agents were not able to cope with either the new or original situation. Therefore a good understanding of the HR Processes is necessary before commencing changes in modalities.

6. Conclusions

In this final chapter we will elaborate on the conclusions. We will commence by stating the purpose of this research and how the research has been conducted. After this we will reflect on our findings and state the conclusions that we can make. These conclusions will elaborate on what the findings can contribute to HR Sourcing strategies, and how our approach fostered those insights.

6.1 Conclusions

This thesis wanted to contribute to the insights into the conflicting and contradicting findings on HR Sourcing. We have therefore analysed two HR Sourcing strategies, HR Shared services and HR Outsourcing, and the impact they have on the form of HR within organisations. This form we have described as the HR Ensemble; the entirety of HR Agents and HR Networks which exist in order to provide HR Processes.

We chose for structuration theory to comprehend and analyse this agency of the organisational agents for several reasons. First, it takes history and context into account to understand agency as path-dependent and socially embedded in ongoing-practices. We thereby get a more elaborate insight into agency. Secondly, it explores actions with reference to structure, meaning that action cannot be understood without referring to the notions of structures that the agent has. Third, it places the agents in the centre of the structuration process as active and knowledgeable actors that can counter intended changes. Following structuration theory, we analyzed three structures: domination, legitimation and signification. These structures are put into action through modalities that serve as facilities, norms and schemes to bridge structure and agency. In this research we brought two premises forward. The first is that HR Sourcing strategies promote new modalities to the organisational agents to affect change in their agency. The second is that the eventual interplay between structure (as translated in modalities) and agency will show us the structuration characteristics of the different HR Sourcing strategies and their influence upon the HR Ensemble.

To gain an insight into the structuration characteristics of HR Sourcing strategies we conducted interviews at three organisations that commenced with HR Outsourcing and three that commenced with HR Shared services at least 2 years ago. Eleven interviewees (with both line and HR managers) were selected on the basis of their involvement with implementing the HR sourcing strategies. They were required to have worked within the organisations before and during the changes. This was deemed necessary to gain an historical account of the structuration occurrences. The analysis of the data was done in three separate steps: (1) distinguishing HR Shared services from HR Outsourcing (2) uncover structuration characteristics within these categories (3) compare the two categories and explain the different characteristics.

This analysis brought us to several findings. We saw that HR Shared services and HR Outsourcing invoke different structuration characteristics even though the original modalities of the HR Ensemble were similar amongst the organisations. These different structuration characteristics of the HR

Sourcing strategies resulted in distinctions between the organisations. We saw at the organisations that chose for HR Shared services that a multiplicity of forms of the HR Processes was invoked. Also the responsibilities amongst HR Agents were much more spread than intended. And finally the HR Network was alienating managers from HRM. The organisations that chose for HR Outsourcing had experienced standardised and better HR Processes. HR Agents that feel a shared responsibility and collaborate with each other. And the HR Network can be characterised by formal but personal connection. From the perspectives of the managers, HR Outsourcing invoked more intended effects than HR Shared services. Therefore we could create a list of five recommendations for HR Sourcing strategies that increase the occurrence of 'positive' structuration characteristics.

- 1. Break ties with original facilities and restrain line managers from depending on HR managers*
- 2. Leave the schemes of the clients to communicate with the supplier similar to the original ones*
- 3. Do not focus on the cost motive exclusively*
- 4. Invest in the education and benefits of the supplier's personnel*
- 5. Understand the HR Processes in every single detail*

By taking these steps into consideration HR Sourcing strategies are expected to foster more positive impacts. They do require however a few steps to be made. But of the prime importance is to conduct research on what the original modalities concerning the HR Ensemble are. Thereby more solid predictions can be made on how intended modalities will be enacted in the practises of line and HR managers. Schemes have to be understood to know how significance is attributed to the HR Ensemble and which communication occurs, norms have to be comprehended to know how legitimation affects agency and sanctions are utilised, and facilities have to be analysed to know which ones are regarded crucial and how they can be replaced.

Structuration theory helped us to develop these insights because of its orientation on context, the reciprocity between structure and agency, and by putting the practices of agents in the middle of our attention. Besides giving this insight it also showed why certain practices emerged and not others. Therefore we created a very dynamic insight in the HR Sourcing strategies with much space for its nuances. Furthermore structuration theory was deemed useful because of the distinction it makes in structures of domination, legitimation and signification. We saw that while all the organizations experienced big changes in the facilities, this was not regarded to be an issue for the managers. Both line and HR managers reacted reluctant to most of the proposed changes in facilities and stated that those changes were inevitable. But when the HR Sourcing strategy would affect the norms and schemes that the managers had, more negating practices were reported. Therefore structuration theory made it possible to dissect the findings on HR Sourcing strategies and was able to uncover some bottlenecks.

Besides the use of structuration theory the notion of the HR Ensemble was also important. While the HR Ensemble is a very broad instrument to analyse organizational HRM, it was particularly useful for this research. Firstly because it allowed us to pose more focused questions upon the changes that HR Sourcing strategies try to invoke. We therefore were able to guide the interviewees to give a more complete picture of the structuration characteristics. Secondly it showed us that the bottleneck of HR Sourcing strategies is not necessarily founded in the quality of processes. Also the way how they are provided or the responsibilities that are connected to them might cause

complications. Therefore the HR Ensemble gave us the framework to understand HR Sourcing strategies, in their intentions and their effects, in much more detail.

6.2 Recommendations

Our approach has given us the opportunity to understand how original structures are affected by HR Sourcing strategies which propagate a certain structure themselves. Moreover we showed how agents *“reinforced, ignored, enhanced, undermined, changed, worked around and replaced”* (Orlikowski 2000 p424) the structures of the HR Ensemble. While our analysis has given a rather broad perspective upon these occurrences it would be interesting to make a deep dive into certain aspects and to develop more insight into some causalities.

In one of the previous researches of the researcher (Van Balen & Bondarouk 2009) it was seen that organizations that had an economic motive to establish HR Shared services often didn't achieve the advantages they pursue. It would be interesting to see if certain motives are accompanied by different modalities and if changes herein are advantageous to reach the pursued goals. Perceiving the success of HR Sourcing strategies in terms of structuration theory also can highlight cultural differences. It has been said that in the United States HR Shared services are experiencing less troubles than in Europe (Fitzgerald 2006). These problems could be researched when we analyse the modalities that exist within different cultures and how they interact with the HR Sourcing strategies. Maybe some strategies are simply more congruent with cultural norms. Moreover different kinds of industries could be compared to see if their modalities can be cause for certain processes of structuration.

Moreover we would advice, in line with Orlikowski & Robey (1991), that researches that utilize structuration theory can profit from a quantitative element. An example that would apply to this research could be the use of questionnaires on organizational characteristics and the more objective features of HR Sourcing strategies. This would generate quantitative data that could solidify the qualitative findings and highlight causal connections.

6.3 Limitations

This research has several limitations. Firstly we should carefully reflect upon the empirical data. In this research we wanted to gain an insight into the agency of both line and HR managers. We have argued before that interviews were the most appropriate method to retrieve data that would show the nuances and dynamics within their agency. The data can however be influenced when the interviewee rationalized his actions and that of the organization in the past. This potential subjectivity was not checked against any other data sources. We have tried to solve this limitation by interviewing two different categories of agents, line and HR managers. The disadvantage of interviewing just these categories is that we have emphasized the agency of the agents at the client side. A complementary vision of the initiators of the HR Sourcing strategy and actors of the supplier

side are missing and therefore the broader scope of the structuration characteristics might have been underexposed.

By selecting organizations in different industries we have tried to generate more generalized data. It must however be noted that we do not believe that a firm distinction between the effects of HR Outsourcing and HR Shared services can be made, even if this research showed just that. As we have argued already in the beginning, HR Shared services and HR Outsourcing are similar in some aspects, and both positive as well as negative results are associated with them. In this research it seemed foremost that organizations that chose for HR Shared services were having the bitters while the organizations that chose for HR Outsourcing just the sweets. This is a simplified distinction which we believe cannot be made that clear in reality.

Appendix A Interview line managers

1. Achtergrond

- 1.1.1 Welke processen zijn gesourced?
- 1.1.2 Wanneer werden de HR processen gesourced?
- 1.1.3 Waarom zijn de HR processen gesourced?
- 1.1.4 Was de lijn het eens met deze beslissing?
- 1.1.5 Had de lijn inspraak in deze beslissing?

- 1.2.1 Hoe functioneerde HR voordat deze HR proces(sen) werden gesourced?
- 1.2.2 Wie waren er verantwoordelijk voor die processen?
- 1.2.3 Waar in de organisatie waren deze personen gepositioneerd?
- 1.2.4 Hadden deze personen veel contact met de rest van de organisatie?

- 1.3.1 Waren er procedures omtrent deze HR processen?
- 1.3.2 Waren er personen die deze procedures controleerden?
- 1.3.3 Had de lijn invloed op de procedures en controle van HR processen?

2. Opstartfase

- 2.1.1 Hoe heeft de organisatie de sourcingstrategie geïntroduceerd?
- 2.1.2 Hoe heeft de lijn daarop gehandeld?
- 2.1.3 Heeft dat invloed gehad op de sourcing strategie?

3. Ontwikkelingsfase

- 3.1.1 Hoe heeft de organisatie de sourcingstrategie veranderd?
- 3.1.2 Hoe heeft de lijn daarop gehandeld?
- 3.1.3 Heeft dat de sourcing strategie beïnvloed?

4. Gestandaardiseerde fase

- 4.1.1 Hoe heeft de organisatie de sourcingstrategie uiteindelijk veranderd?
- 4.1.2 Hoe heeft de lijn daarop gehandeld?
- 4.1.3 Heeft dat de sourcing strategie beïnvloed?

5. Evaluatie en toekomst

- 5.1.1 Wordt het sourcen nu door de lijn als geslaagd ervaren?
- 5.1.2 Zou de lijn meer HR processen willen sourcen?
- 5.1.3 Zou de lijn voor shared services of outsourcing opperen?

- 5.2.1 Hoe denkt u dat de sourcingstrategie zich gaat ontwikkelen?
- 5.2.2 Wat vindt u van deze ontwikkeling?
- 5.2.3 Hoe denkt u dat de lijn hierop zal reageren?

Appendix B Interview HR managers

1. Achtergrond

- 1.1.1 Welke processen zijn gesourced?
- 1.1.2 Wanneer werden de HR processen gesourced?
- 1.1.3 Waarom zijn de HR processen gesourced?
- 1.1.4 Was HR het eens met deze beslissing?
- 1.1.5 Had HR inspraak in deze beslissing?

- 1.2.1 Hoe functioneerde HR voordat de HR proces(sen) werden gesourced?
- 1.2.2 Wie waren er verantwoordelijk voor die processen?
- 1.2.3 Waar in de organisatie waren deze personen gepositioneerd?
- 1.2.4 Hadden deze personen veel contact met de rest van de organisatie?

- 1.3.1 Waren er procedures omtrent deze HR processen?
- 1.3.2 Waren er personen die deze procedures controleerden?
- 1.3.3 Had HR invloed op de procedures en controle van HR processen?

2. Opstartfase

- 2.1.1 Hoe heeft de organisatie de sourcingstrategie geïntroduceerd?
- 2.1.2 Hoe heeft HR daarop gehandeld?
- 2.1.3 Heeft dat invloed gehad op de sourcingstrategie?

3. Ontwikkelingsfase

- 3.1.1 Hoe heeft de organisatie de sourcingstrategie veranderd?
- 3.1.2 Hoe heeft HR daarop gehandeld?
- 3.1.3 Heeft dat de sourcingstrategie beïnvloed?

4. Gestandaardiseerde fase

- 4.1.1 Hoe heeft de organisatie de sourcingstrategie uiteindelijk veranderd?
- 4.1.2 Hoe heeft HR daarop gehandeld?
- 4.1.3 Heeft dat de sourcingstrategie beïnvloed?

5. Evaluatie en toekomst

- 5.1.1 Wordt het sourcen nu door HR als geslaagd ervaren?
- 5.1.2 Zou HR meer HR processen willen sourcen?
- 5.1.3 Zou HR voor shared services of outsourcing opperen?

- 5.2.1 Hoe denkt u dat de sourcingstrategie zich gaat ontwikkelen?
- 5.2.2 Wat vindt u van deze ontwikkeling?
- 5.2.3 Hoe denkt u dat HR hierop zal reageren?

Appendix C Original and Intended modalities

Original and intended modalities for the HR Shared services organisations

<i>Original</i> / <i>Intended</i>	Facilities	Norms	Schemes
HR Processes	Concentrated around HR managers' wit Electronic & standardisation	Customised & Personal Effectiveness & uniformity	Client satisfaction Service level agreements
HR Agents	Organisational hierarchy Self-Service	HR managers do all Responsible for official duties	Capability SSC or according to SLA
HR Network	Close in offices Far from work floor	Personal & reachable Professional	Informal connections Formal

Original and intended modalities for the HR Outsourcing organisations

<i>Original</i> / <i>Intended</i>	Facilities	Norms	Schemes
HR Processes	Concentrated on HR managers' wit Standardisation and timeliness	Being compliant with desires client Innovation trust, partnership	Client satisfaction performance & satisfaction of clients
HR Agents	Organisational hierarchy Collaborative	HR Managers do all Everybody must feel responsible	Capability Capability
HR Network	Close in offices Far from work floor	Personal & reachable Easy approachable and personal	Informal connections Informal

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