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THE ROLE OF HR DEPARTMENT IN POLAND – INDICATIONS FOR CHANGES IN BUSINESS PRACTICE

The article's objective is to discuss the theoretical basis for HR unit's increasing importance in a modern organization and to characterize the roles to be carried out by this department. A research question is also answered, i.e. which role of a HR unit is the most desirable one in practice of contemporary enterprises. For purpose realization both secondary sources and primary research (pilot studies) were used, conducted at 6 large enterprises representing different sectors and located in Wroclaw agglomeration.

Keywords: HR department; Poland; department roles at large enterprises.

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РОЛЬ ВІДДІЛУ ПЕРСОНАЛУ У ПОЛЬЩІ: ІНДИКАТОРИ ЗМІН БІЗНЕС-ПРАКТИКИ

У статті представлено теоретичне обґрунтування все більш важливої ролі відділу персоналу в сучасній організації та описано функції даного відділу на підприємстві. Центральне питання дослідження: яка роль відділу персоналу є найбільш потрібною в практиці сучасних підприємств? Для відповіді на це запитання використано як вторинні джерела даних, так і первинні (пілотний проект), отримані на 6 підприємствах з різних галузей, що працюють на території Вроцлавської агломерації.

Ключові слова: відділ персоналу; Польща; функції відділу персоналу на великих підприємствах.

Рис. 1. Табл. 2. Літ. 15.

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РОЛЬ ОТДЕЛА ПЕРСОНАЛА В ПОЛЬШЕ: ИНДИКАТОРЫ ИЗМЕНЕНИЙ В БИЗНЕС-ПРАКТИКЕ

В статье представлено теоретическое обоснование всё возрастающей роли отдела персонала в современной организации и описаны функции данного отдела на предприятии. Центральный вопрос исследования: какая роль отдела персонала является наиболее нужной в практике современных предприятий? Для ответа на данный вопрос использованы как вторичные источники данных, так и первичные (пилотный проект), полученные с 6 предприятий, представляющих различные отрасли, работающих на территории Вроцлавской агломерации.

Ключевые слова: отдел персонала; Польша; функции отдела персонала на больших предприятиях.

Introduction. Contemporary economy can be defined as the one offering opportunities to entrepreneurs in creating methods for running business. On the other hand, however, such of its characteristics are indicated as changeability, instability or even turbulence. Under these circumstances particular generic functions of an enterprise are created, including the personnel function referred to as the entire spectrum of activities covering employees of an enterprise. The organizational unit called human resources department, personnel department or HR department is responsible for the development and implementation of this function.

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Competitive advantage of an enterprise depends on the employed personnel competencies. Therefore, it seems that the role of personnel department – defined as the participation, importance, function (Sobol, 2001) – as well as the resulting tasks and competencies of HR specialists are the key ones regardless the existing, at a given moment, economic situation.

Literature on the subject presents various classifications of roles played by personnel departments. It is emphasized that nowadays a general change of its role is observed, from the strictly administrative through a developmental one and even to a business partner function, determined by the above mentioned ongoing transformations in an enterprise environment exerting impacts on creating new needs on the part of the addressees of activities performed by HR specialists.

The purpose of the article is to discuss the theoretical background of personnel department increasing importance in a modern organization and also to characterize the roles to be carried out by this department. The empirical part provides an answer to the research question whether, indeed, in the practice of contemporary enterprises the status of HR departments is high. A truly modern enterprise is based on advanced technologies, methods and techniques in manufacturing and management. For the above defined purpose realization both secondary sources and primary pilot studies (survey) were used and conducted at 6 large enterprises representing different sectors and located in Wroclaw agglomeration. The respondents were HR departments' employees. It is worth emphasizing that various organizations have conducted research on the roles of HR departments. The respondents, however, were mainly management board members, not HR professionals.

Literature review.

1. Determinants of HR department's role evolution. It is believed that the "yesterday" employees of human resource departments were mainly dealing with administrative activities, such as keeping the records of employees or preparing a payroll. Not much of their working time was spent on providing solutions to problems. Budget planning (employment, costs level) was of fragmentary nature. Practically, HR departments did not get involved in company-wide issues (Berlowski, 2004). Currently, these priorities are slowly reversed, which results from the transformations, mentioned in the introduction, occurring in the environment of enterprises which, in turn, generates new needs expressed by the addressees of HR specialists' activities. Due to the hereby study size limitations only the selected determinants underlying the changing role of personnel departments will be discussed below. It was also focused on Polish realities only.

The situation observed at Polish labor market, during the recent 15 years, can be described as a "sinusoid". In the late 1990s the symptoms of deteriorating prosperity became visible. Unemployment rate was rapidly increasing and reached the record level of 20% in 2002 (Wyzwania HR, 2009). On the other hand, Polish accession to the European Union in 2004 allowed Poles to look for jobs abroad, which resulted in an increasing demand for workers at the domestic market. In 2006, when GDP rate almost doubled against the previous year, a "worker's market" was identified on which specialists – candidates for a job – started imposing their employment conditions on prospective employers. The need occurred to create an image of an attractive employer by introducing unique motivation systems aimed at retaining valuable employees, along with an intensified desire to search for candidates for a job at universities and to

discover the potential hidden in previously underestimated groups of workers (e.g. people over 40 or even 50 years of age).

At the end of 2008 – along with the incoming information about the problems which affected both American and Western Europe financial markets – the situation began to change dramatically. The deteriorating economic situation imposed savings on enterprises. Employees of HR departments not only participated in planning and performing dismissals, but also played an advisory role for company management. They were also responsible for preparing adequate protection programs for the laid-off workers and for communicating the occurring changes (Wyzwania HR, 2009). Simultaneously, regardless the economic situation, it turned out difficult to attract good salesmen, experienced engineers and IT specialists (mainly programmers) in the subsequent years (Wyzwania HR, 2010).

In the period of 2012–2013, when the symptoms of economic downturn weakening were observed, the most important criterion of personnel departments' assessment was the ability to recruit most talented workers and to establish their loyalty (Wyzwania HR, 2011).

Along with the above discussed job market transformations an ongoing development of modern technologies was, and still is, advancing. Moreover, the expectations of the so-called Y generation entering the job market were revealed and turned out to be different from the needs of older generations workers (Piwowar-Sulej, 2010). It imposed the need for more extensive computerization of personnel departments and thus for using such social portals (Facebook etc.) in communication at the job market. The nature of employment has also changed. It has become more flexible. It often happens that a contemporary employee does not work in his/her employer's headquarters, but at home. He/she is not always employed based on employment contract and can "sell" his/her knowledge and skills to several enterprises simultaneously. It definitely forces a slightly different approach towards the personnel function realization and thus forces certain transformations in the role played by HR departments.

As the above-presented discussion indicates, both internal entities in an enterprise and the ones at the external labor market represent the addressees of activities carried out by personnel specialists. Internal stakeholders of the activities implemented within the framework of a personnel function are mainly represented by an employer (management board), line managers and the lowest level employees. At this point it is worth emphasizing that in today's organizations a project-oriented approach is becoming more and more popular while introducing all sorts of changes, including innovations. It implies the need to appoint interdisciplinary teams with project managers as their leaders. Therefore, the spectrum of HR activities keeps expanding. Project work – different from performing routine (repetitive) tasks – can also bring about new problems of social nature (Piwowar-Sulej, 2011; 2012a; 2012b). The above listed entities can sometimes report quite different expectations to personnel specialists, which impose the need for interests' reconciliation and for performing several different roles at the same time, the detailed characteristics of which will be presented further.

2. Selected classifications of HR units' roles. The subject literature offers numerous classifications of the roles performed by personnel units. Nowadays the approach is quite frequently expressed that the tasks carried out by these departments should exceed, by far, the traditional duties such as e.g.: keeping the records of working time

or of employed personnel. It is difficult to find the role of a "simple administrator" in classifications offered in literature (Table 1).

Table 1. Selected classifications of HR units' roles, grouped by the authors

Author	Role name	Tasks implemented within the framework
M. Armstrong (2011)	Business partner	tight integration of activities with the ones performed by management board and simultaneously accompanied by the desire to achieve strategic goals
	Strategist	referring to long-term issues related to employees' employment and development by using their key competencies
	Interventionist and innovator	suggesting innovations regarding the selected organizational issues, e.g. supervisor – subordinate relationship, team work, applied methods and techniques of work
	Internal consultant	analyzing problems, diagnosing and suggesting solutions referring to organizational issues (management through effects, personnel development and new salary structure planning)
	Monitoring agent	taking care of the consistent implementation of adopted policy and procedures (preventing employees' rights violation by line managers and Health and Safety regulations)
A. Poczowski (2008)	Strategic partner	- integrating personnel strategy into the company strategy; - conducting internal audits and identifying areas with reduced functional efficiency
	Administrative expert	- constructing effective organizational infrastructure and processes reengineering; - inspiring and assessing
	Integrator of interests	- stimulating employees to work for an organization and motivating them to achieve best possible results; - integrating interests of all management levels
	Internal advisor	supporting line managers in managing their subordinates and in making decisions at the highest management level
	Shift agent	active participation in shift management and an organization revitalization. It is related to inspiring and introducing changes in organizational culture
	Globalization expert	preparing and supporting enterprise employees in their adjustment to global economy
	Involvement creator	developing staff potential and focusing on company objectives
D. Ulrich and W. Brockbank (2008)	Employees' spokesman	caring about the quality of relations between an employee and an employer, good health and safety policy, proper working conditions and discipline
	Human capital developer	investing in personnel development, in a team of employees and the entire organization (organizing trainings, career paths) by focusing on employees' behaviors and attitudes
	Functional expert	- providing expert knowledge and applying best practices in solving personnel problems, creating solutions to complex problems with other specialist; - creating personnel policy
	Strategic partner	- contributing to the construction of company development strategy by providing knowledge in the field of personnel management, consulting and organizational learning; - supporting higher level and line managers in achieving business goals, as well as mission and vision realization

Continuation of Table 1

Author	Role name	Tasks implemented within the framework
	HR leader	regulating the principles for people and organization cooperation aimed at ensuring organizational success (defining clear objectives, information transfer inside and outside the department, shift management and determining performance in terms of its value for investors, clients, line managers and employees, cooperation with other department in order to improve their functional efficiency along with the entire internal organizational community monitoring)
P. Reilly and T. Williams (2009)	Strategist	participation in making strategic decisions and ensuring that employees are perceived as enterprise fundamental resources (participation in management board, committees meetings)
	Change agent	active participation in change management process in an organization (planning resources, designing new structures and policy, supporting management, controlling progress in the set objectives implementation)
	Professional	providing professional services in human resources management (monitoring compliance with the law, developing human resources management policy and supporting line managers in personnel tasks realization)
	Regulator	making interventions such as: organization value protection, organization policy protection, compliance with legal requirements and elimination of unnecessary risks related to labor law

An important task carried out by personnel department is the obligation to provide professional services in HR management (the role of a functional expert, a professional). A "modern" personnel unit should play provide adequate expertise (consultancy). The provision of expert knowledge and offering clear and reliable consultancy in personnel management should constitute the primary task of such a unit. The role of personnel departments is to analyze the occurring problems, suggest legally justified solutions which are consistent with the organizational strategy. These tasks correspond with the controlling role (monitoring, regulating). Personnel units, playing a consultancy oriented role, should mainly support line managers in personnel tasks implementation. At this point it is worth referring to the mentioned before project managers who may also need support from HR department.

Contemporary personnel departments should also inspire management boards to investigate new solutions in the field of human resource management and thus facilitate adaptation to changes resulting from market environment. HR unit, as a change agent, should participate actively in the process of change management in an enterprise and therefore confront the realization of company strategy against the company current capacity, considering its staff competencies and motivation.

Personnel departments, playing the role of a strategist, have earned particular recognition in literature. This role indicates the need for close cooperation between personnel departments and top management within the framework of company strategic goals implementation along with their personnel strategy. In this particular role it is also crucial to perceive employees as the valuable capital of an enterprise. Thus, it is also important to retain key staff members in a company, as well as develop their competencies. The analyzed role is associated with the role of a partner.

Nowadays enterprises are characterized by an increasingly tight integration of personnel processes with the company business strategy, which is manifested by the expectations towards HR departments along with their role evolution. As partners HR units not only co-create company strategy, but also identify opportunities for taking optimal advantage of the potential ingrained in both employees and the entire organization.

The presented classifications of roles performed by HR units illustrate an extensive multidimensionality of personnel departments. The tasks carried out by HR units in an enterprise – as discussed above – are subject to ongoing transformations, resulting from the need to adjust to changing environmental conditions. Therefore, one can infer that a need may occur to define new roles of HR departments in the future.

Personnel departments' roles in the perspective of the authors' own research results. The empirical study, mentioned in the article introduction, was carried out in the first quarter of 2014. 6 large enterprises, representing recognized brands, employing up to 250 people, diversified in terms of the sector represented, were covered by the study. Each of them has a special personnel unit functioning within its structure. 21 respondents, employed in HR departments only, took part in the study.

Survey questionnaires were sent via e-mail. Initially the sufficient number of filled in questionnaires was not returned and thus it was necessary to repeat the research. Unfortunately, HR staff was reluctant when requested to fill in the questionnaire justifying their refusal with the lack of time.

The study used a questionnaire with open questions. The classification of roles played by specialists of the discussed departments, proposed by D. Ulrich and W. Brockbank (2008) was used in this case, since it seems to classify the roles of a personnel unit in an enterprise in the most accurate and synthetic way. HR tasks, with reference to each of the specified roles, were listed in the survey questionnaire with great detail. The conducted research results are presented below.

In response to the question requesting to specify one dominating role of personnel department played in their organization, 95% of them indicated a functional expert function and about 5% – a strategic partner function. None of the respondents mentioned any other roles such as employees' spokesman, human capital developer or HR leader. In spite of HR units' function evolution, personnel units' employees still spend a lot of time on performing administrative tasks which do not result in any added value.

The respondents were asked to arrange HR unit's roles from the most important ("1"), to the least important ("5") ones. They identified the function of a strategic partner as the most significant one, whereas the lowest HR unit status was assigned to a functional expert function (Table 2).

Even though the role of a functional expert is most frequently associated with HR department and also the dominating role in the analyzed organizations, in respondents' opinion this function status in the unit is the lowest. Therefore, HR specialists should desire to perform tasks of higher significance and transfer the execution of administrative tasks to line managers or external companies (outsourcing).

Despite the fact that – as mentioned above – the most important role of HR department is the one of a strategic partner, in the respondents' opinion the most needed role played by this unit in a contemporary organization and also in the organi-

zations under analysis is the role of employees' spokesman. The second place is occupied by the role of a strategic partner, whereas the least important function is the one of human capital developer (Figure 1).

Table 2. Respondents' answers to the question: "Arrange the indicated roles from the most important (the highest HR unit status) to the least important (the lowest HR unit status) in a contemporary enterprise", authors' compilation

The role of HR unit	Number of responses "1"	Number of responses "2"	Number of responses "3"	Number of responses "4"	Number of responses "5"	Total points (place in the classification)
Employees' spokesman	1	4	2	13	1	65 (4 th place)
Human capital developer	5	5	6	4	1	39 (2 nd place)
Functional expert	1	3	3	1	13	76 (5 th place)
Strategic partner	10	3	4	1	3	36 (1 st place)
HR leader	4	6	6	2	3	42 (3 rd place)

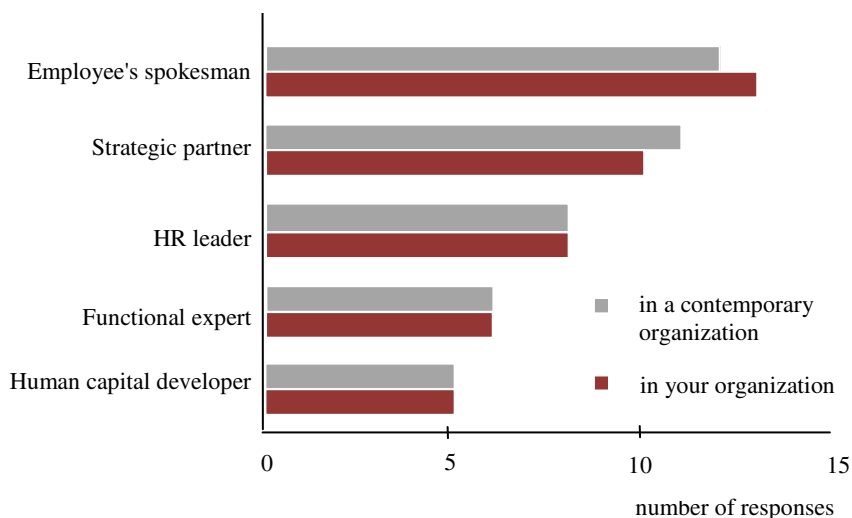


Figure 1. The most important roles of HR unit in the opinions of respondents – research results, authors' compilation

According to the research results, taking care of the quality of relationships between an employer and an employee, including compliance with laws, seems for HR units employees more useful than undertaking strategic activities aimed at management board support or investing in the existing resources development. This can probably result from the recent economic crisis (2009), the complexity of Polish legislation, the nature of contemporary work, as well as the competencies of HR specialists.

As it has already been indicated, both workers and their environment are subject to continuous transformations. No all of the staff, however, come to terms with the increasing flexibility of employment. One has to keep in mind that still a large num-

ber of employees find it of great importance to have an employment contract signed for an indefinite duration as well as the resulting benefits. However, higher labor costs and the difficulty in employment termination in Poland result in the fact that employers – especially at line positions – prefer entering into civil law contracts. Polish government – in the role of employees' spokesman – plans changes consisting in the requirement for social insurance contributions paid on civil law contracts. Such solution may bring about changes in the assessment of the crucial role to be played by HR units.

Introducing changes in the position of HR department in an organization requires employees' approach transformation in terms of advantages resulting from a strategic approach towards team management. Personnel units' employees face an opportunity to take the role of partners in negotiations with company owners or management board members in their organizations. They should, however, bear in mind that the role of a strategic partner is not only a prestigious one, but also highly necessary. Such approach towards the discussed role was, however, not observed at the analyzed enterprises. Therefore, there is a concern that HR units' employees do not have adequate strategic competencies, but instead they have good knowledge of laws and thus feel the need for complying with legislation in force.

Conclusions. In the perspective of innovative technologies employees' knowledge, creativity and experience allows increasing competitiveness. It is, thus, of utmost importance for management staff to cooperate closely with HR departments. On the one hand, the well "aware" entrepreneurs can expect more from personnel departments and on the other, HR specialists should make employers aware of the crucial strategic role in approaching HR management.

More than 60% of organizations participating in the study, conducted by Polish Agency for Enterprise Development, listed the efficient administration of personnel and payroll processes as the most important function of HR department (www.kadry.abc.com.pl, 13.11.2014). According to the authors' own research the most significant (prestigious) role played by HR unit is the one of a strategic partner. However, the most necessary role in the organizations represented by the respondents is that of employees' spokesman. It may result from the recent economic crisis, the level of Polish legislation complexity, the changing nature of contemporary work. There are concerns about the level of respondents' competencies – HR units' employees. As it has been indicated in the article, they should emphasize the need for playing the role of a strategic partner and if they fail to do so it may be an indication that they lack adequate competencies to perform this particular role. Therefore, the problem of diagnosing current competencies presented by HR units' employees and their adjustment to the role of a strategic partner remains unresolved. The discussed issue represents an interesting research challenge.

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Стаття надійшла до редакції 6.01.2015.