

# Effective Utilization of Post-Assessment Center Data of Organizations in India

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*This paper examines how Indian organizations utilize data generated during Assessment Centers (ACs) for writing summary reports on participants, giving feedback on performance at the center, suggesting development actions and evaluating and validating the center. Twenty senior HR professionals, consultants and practitioners from 20 Indian and Multinational Corporations were interviewed. Results highlight that Post-AC data are utilized to varying degrees of effectiveness depending on long/short-term orientation of organizations. In the absence of detailed validation procedures, organizations need to build incremental validity at every stage of conducting an AC. Selection of consultants for conducting ACs have to be done with care and caution because most of the Western models need to be culturally tested and then adapted to suit local requirements.*

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## **Introduction**

Assessment Center is a popular assessment tool and is used for many purposes from identification of high potential managers to building and developing leaders in an organization. Gaugler & Thornton (1989) describe assessment center as “a process where job analysis and competency modeling are typically used to study the performance domain of target jobs. Results of these analyses identify the dimensions to be assessed and content of assessment exercises. Multiple assessors observe overt behavior in exercises simulating important job situations. Ratings of dimensions and overall performance relate to a variety of criteria, including measures of comparable constructs and job performance”. Although, Assessment Centers are expensive, there are many advantages. According to Joiner (2004) return on investment (ROI) of conducting an AC can be very high. ACs are generally predictive of performance (Lievens & Thornton, 2005; Thornton & Rupp, 2006). ACs are legally defensible if they are developed following professional guidelines (Guidelines and Ethical Considerations for Assessment Center Operations, 2009).

Byham (1971) has given approximately eleven necessary steps in the design and conduct of an AC. These steps closely resemble the recommendations given in the Professional Guidelines like determining program objectives, defining dimensions to be assessed, selecting exercises that bring out the dimensions, designing assessor training and assessment center program, announce programs, inform participants and assessors, handle administrative details, train assessors, conduct assessment center, write summary reports on participants, provide feedback to participants, evaluate the center and set up procedures to validate center against a criterion of job success.

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An Assessment Center starts with defining the objectives and finally it has to be validated against a criterion of job success. There are six important preparatory steps before conducting an AC called pre-AC steps. Four post-AC steps (8, 9, 10 and 11) are critical to taking the findings to a logical conclusion and for utilization of data thereafter. If organizations do not handle the last four steps efficiently, the whole process becomes meaningless. Hence it is important to understand how organizations utilize post-AC data.

Alexander (1979) in a study of 65 organizations found that they mostly focused on immediate feedback processes

rather than on long-term utilization of assessment center results. Issues that concern subsequent utilization of results are followed by fewer organizations. Only 34 to 57 percent organizations carry out long-term processes such as: 1) Providing evaluations to higher management, 2) Coaching of employees by immediate supervisor, 3) Discussing assessee's training and development needs with the supervisor, 4) Discussing career plans in feedback process, 5) Reassessing employees later, who performed poorly, 6) Telling assessees whether they have potential for advancement, 7) Initiating developmental plans, 8) Assessment center staff monitoring development of assessee and 9) Evaluation becoming a part of the employee's personnel file.

Vloeberghs and Berghman (2003) emphasize that there should be procedures and strategies laid out to follow-up on results obtained from Assessment Development Centers (ADCs) and should be utilized. Gupta (2010) in a research on "relevance of assessment centers in competency assessment" concluded that, ACs are essential for assessing competencies despite their high costs and the benefits of doing ACs are far greater than not doing them. Follow-up action on the outcomes/developmental plans emerging from ACs is critical and if not carried out then the entire process becomes redundant. Byham (1987) suggests that role of any AC needs to be clearly defined with respect to follow-up procedures and to using results effectively. Similarly Bender (1973) recommends that early decision should be made

on how the results of ACs would be utilized in the organization.

The importance of having follow-up procedures to effectively utilize results has been emphasized by many researchers and according to the Guidelines, all eleven steps are important for having a legally defensible AC. However, there are noteworthy gaps in what is prescribed and practiced. Research has repeatedly shown that globally the last two steps (i.e. evaluation and validation) are largely ignored areas. Guidelines specify that in 'writing summary reports on participants' (step 8) statistical integration of data should happen amongst assessors. Spsychalski, Quinones, Gaugler and Pohley (1997) however, report that only 14% American ACs use statistical analysis in an assessors' conference compared to judgmental decisions. Similarly there may be gaps in giving 'Feedback' (step 9). Existing research was reviewed to understand what each post-AC steps entail and how organizations can handle each step to effectively utilize AC data.

### **Summary Reports Writing in ACs**

In writing summary reports on participants, a number of assessors discuss multiple independent evaluations made during an AC to generate a report on each participant. There are controversies regarding what combinations of 'discussion by consensus' and/or 'statistical integration' will lead to high correlations between overall assessment rating (OAR) and performance criteria (Gaugler & Thornton, 1989).

In the report writing stage, assessors have a very critical role and errors can sneak in and affect overall validity. Researchers have explored a number of variables to reduce assessor error (Lievens, 1998) by providing training to assessors, using alternate rating strategies, reduce assessor's cognitive load by reducing the number of dimensions and by providing check-lists to record behavior etc. Melchers, Kleinmann and Prinz (2010) also found that there was a detrimental effect on ratings when assessors had to simultaneously rate multiple individuals. Byham (1978) advocates certification of assessors in order to ensure a legally defensible AC.

Contents of assessor training have been found to affect predictive and construct validity (Krause & Thornton, 2009). Research shows that length of training is less important (Gaugler et al., 1987) vis-à-vis quality (Lievens, 2002). Schleicher, Day, Mayes & Riggio (2002) report that 'Frame-of-reference training' has very high positive impact on improving reliability, inter-rater reliability, discriminant validity and better rating accuracy. Kleinmann et al. (1996) found that disclosing dimensions to participants improved rating accuracy.

### **Feedback in ACs**

Feedback to participants on overall summary of findings is the 2<sup>nd</sup> step post-AC, and many variables can impact the effectiveness of this process. Woo et al. (2008) found that assessor feedback can be a threat to participants as there is a positive relation between favorable feed-

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back and behavioral engagement. Lievens (2008) suggests applying 'trait activation theory' for giving feedback. Woo et al. (2008) concluded that accuracy of assessor rating and perception of a 'due process' are critical factors, Abraham et al. (2006) posit that negative feedback needs to be given in a constructive manner; Bell and Arthur (2008) found that 'extraversion' and 'agreeableness' of participants need to be looked into for increasing feedback acceptance. Timing of feedback is also very important and Thornton & Rupp (2006) found that maximum learning takes place when feedback is given soon after an AC is over. Krause and Thornton (2009) found that only fifty percent organizations studied had an evaluation procedure but documentation was missing.

### **Validity of ACs**

An Assessment Center needs to be "valid"; which means, does it measure what it purports? 'Validity' as defined by Professional Guidelines (2009) is "the extent to which a measurement tool or process, such as an Assessment Center, yields useful results. Multiple validities might be measured (e.g., 'construct,' 'content,' 'face,' 'predictive,' 'social') depending on the questions being explored and tools or process being investigated".

A critical aspect of any Assessment Center is its validity. It is one of the most

researched topics in the AC domain; however, research findings show that this aspect is also the most ignored. Researchers have investigated the impact of different variables on validity and overall effectiveness of ACs. Pre-assessment center activities like job analysis, AC design, selection of dimensions and exercises, characteristics of assessors, content and methods of assessor training, etc. affect validity; individually and collectively.

Guidelines have specified that job analysis is mandatory for identifying the dimensions and exercises. ACs can be made defensible legally by having the content of an AC resemble that of a job. Eurich et al (2009) reports that job analysis is not carried out by 10% of US organizations.

Attributes measured are called 'dimensions' and the methods employed to measure them are 'exercises'. There is an ongoing debate on whether to structure ACs around 'exercises or dimensions' with the latter given preference by Thornton and Gibbons (2009). Connelly et al. (2008) concluded that 'dimensions' do and should continue to play a critical part in ACs.

Characteristics of assessors affect validity of ACs. One view suggests that 'cognitive overload' on assessors should be reduced by having lesser number of 'dimensions' using behavioral checklists, reducing assessor- assessee ratio and making 'dimensions' known to participants. The other view says that 'incorrect schemas may be used by assessors'; hence assessors should be psychologists, trained longer and on frame-of-reference training.

Conduct of an AC requires systematic rigor if an organization truly aims to reap benefits and the guidelines provide useful inputs on this. Three widely cited researches highlight some of the limitations of ACs related to evaluation and validity issues. Krause and Gebert (2003) from a study of 281 organizations in German speaking countries compared findings with practices in the United States and found that the extent to which organizations adhered to Guidelines was dissimilar in different countries and also that 'evaluation and validation' were not carried out to the extent required. Spychalski et al. (1997) in their research in two hundred and fifteen organizations in the United States found that, Assessment Centers adhere to recommendations on content of assessor training, but there were gaps on issues such as length of assessor training, evaluating assessors, giving information about AC to assessee and validating center results. Gaugler et al. (1987) in a review found that the range of validity coefficient in ACs was between -.25 and +.78. This large variation should be of serious concern to AC practitioners.

Some other concerns with ACs in America or other Western countries are also highlighted by Rao & Juneja (2007) in Asian organizations, e.g. 1) Implementation is complex, 2) Difficulty with describing competencies in behavioral terms, 3) Assessor availability and their training, 4) Inter-rater reliability, 5) Selection of tests, instruments and exercises, 6) Commitment of time and resources by organizations, 7) Role of line managers, 8) Giving feedback to participants and 9) Data Security. They further

lament that although use of ACs is increasing in Indian organizations, not much research has been done on their effectiveness, reliability or predictive validity.

The foregoing section highlights the gaps between recommendations made by Guidelines and those practiced on post-AC steps, for example, evaluation and validation were not carried out to the required extent and there were concerns with giving feedback to participants, etc. It also reveals that different kinds of variables impact effectiveness of each of the post-AC steps but there seems to be no research, (except by Alexander, 1979) that comprehensively studies how organizations utilize data generated during an AC.

### **Methodology**

This study was conducted in organizations that carried out Competency Mapping & Assessment Centers. The authors interacted with HR leaders from various organizations in their respective organizations and at different workshops/forums. These HR leaders/executives provided further leads to other HR executives/managers and they were also included in the sample. Total number of respondents who participated in the study was twenty executives from different organizations. From among these twenty respondents, four who participated in the research were working for global HR consulting firms and had data on AC practices of a large number of organizations, which enriched the data obtained. In-depth interviews with all these twenty respondents (each lasted for roughly two hours) yielded rich qualitative data on how organizations were

handling post-AC data, along with suggestions to improve the usage of the data. Detailed notes were taken at the time of the interviews and interview transcripts were subjected to content analyses for identifying patterns and themes that emerged from the data.

## Results

Qualitative results from interviews are given in bold/italics. The results of

the questionnaire survey and interviews were complemented by recommendations from respondents during interviews and combined results are discussed in light of secondary data. Table 1 highlights that writing summary reports on participants is taking place to a moderate extent. 'Effectiveness of discussion between assessors' shows a mean score of 3.85. Table 4 reveals that 70% respondents rated between 4 and 5.

**Table 1 Mean Scores & Standard Deviations on 'Writing Summary Report on Participants'**

I	WRITING SUMMARY REPORTS ON PARTICIPANTS	Mean	S.D.
1	Discussion between different assessors	3.85	0.93
2	Integration of candidate information	3.63	1.01

Respondents further emphasize that there is a need for objective and neutral discussion between internal and external assessors to eliminate subjectivity and bias because assessors' conference is a consensus building exercise and not simply for arriving at an average score.

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'Effectiveness of data integration for the candidate' has a mean of 3.63. 55% respondents have rated between 4 and 5. Many researchers emphasize the need for data integration and Guidelines (International Task Force on Assessment Center Guidelines, 2008) specify that data integration should happen statistically.

In the present study reliance on statistical integration was moderate and this result is consistent with that of Eurich et al (2009) and Krause and Thornton (2009) that statistical integration of ratings is less common than judgmental combinations. Kudisch et al. (1999), from an international survey in 114 organizations reported two limitations of ACs: 1) 65% organizations had consensus based discussion and 2) only 15% organizations had statistical integration of data.

Use of data integration is supported by many researchers, e.g. Spsychalski et al. (1997) found that greater integration of data enhances validity of an AC. Rao and Juneja (2007) emphasize that discussing discrepancies among assessors helped to get insights into data rather than simply reporting average ratings.

Respondents recommend that discussion between different assessors (asses-

essor conference) can be made highly effective and meaningful by ensuring proper assessor training and by providing them with an assessor manual. Competency Dictionary should be well laid out with behavioral indicators to form the basis of evaluation. Audio-visual recordings would make the process more effective.

The above recommendations are in accordance with Lievens' (1998) suggestion that assessors should be trained on a 'frame-of-reference' which keeps assessors focused on behaviors given in check-lists and enhances construct validity. Importance of behavioral check-lists is highlighted by Reilly, Henry & Smither (1990). Guidelines also recommend the use of audio-video recordings; however, Eurich et al. (2009) caution that technology should not compromise with the integrity of ACs.

Respondents point out that Multi-National Corporations (MNCs) and Indian organizations utilize services of consultants to a very large extent who bring their own assessors. Respondents caution that selection of external consultants should be done with due diligence so that the global model can be customized to

the Indian milieu; wrong selection can cause irreparable damage. They further recommend that organizations should complement internal and external assessors in 60:40 or 70:30 ratios. Internal assessors understand company culture, job-fitment, etc. versus external assessors who bring in greater objectivity and industry best practices.

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The above suggestions are similar to those by Krause and Thornton (2009) that organizations should improve on criteria when deciding on an assessor pool. Woehr and Arthur (2003) report that having 'professional assessors' yields better ratings than having managers as assessors. Guidelines quote that as policy, professional qualifications and training of internal and external consultants should be specified clearly, also when ACs are used in other countries, cultural accommodation needs to be considered.

**Table 2 Mean Scores & Standard Deviations on 'Feedback to Participants'**

II	FEEDBACK TO PARTICIPANTS – A SUMMARY OF PERFORMANCE AT CENTER FOR DEVELOPMENT ACTIONS	Mean	S.D.
3	effective handling of post-Assessment-Centre data for feedback	3.63	0.78
4	feedback to assesses and recommendations made	3.45	0.83
5	utilization of Assessment Centres in the organization	3.45	0.83
6	follow-up procedures to aid both the assesses and his/her managers to effectively use the results	3.25	0.85

Tables 2 and 4 highlight that 'feedback to participants' on performance at the center for development is done moderately well on most aspects. 'Effective overall use of post-AC data for feedback' has a mean of 3.63. 50% respondents rated between 4 and 5. They report that, some companies utilize data collected for development of assessees for coaching/mentoring/training, etc. with the help of consultants. Discussion on post AC data with assessees is however, very limited in the case of recruitment or promotion. This may be justified in the case of recruitment but may fall seriously short for promotion. They strongly assert that findings must be shared with assessees otherwise it becomes a redundant exercise.

Similar to present results, Eurich et al. (2009) found that organizations give feedback on issues such as behaviors observed during an AC, overall assessment ratings (OARs), etc. Alexander (1979), in a study of 65 organizations found that only five administrative practices were strictly followed by majority of organizations and four of these, concern immediate feedback of results to the assessee.

'Feedback to assessees and recommendations made' has a mean score of 3.45. 45% respondents rated between 4 and 5. They emphasize that a few organizations carry out follow-up training with the help of consultants and some also provide 360 degree data or data from Performance Management System (PMS) for combining with results from an AC, in order to make outcomes more

effective. This combination gives participants a very holistic picture about themselves to generate individual development plans (IDP).

The above finding is in concordance with many other researches. Integrating additional diagnostic procedures to increase validity of ACs is suggested by Krause and Thornton (2009). Howard (1997) finds that 360-degree appraisal feedback has the strength to assess behaviors which cannot be easily assessed in ACs; this improves Overall Assessment Rating (OAR). Rao & Juneja (2007) also agree that ACs help to identify potential and 360 degree feedback helps to provide development inputs to individuals. Vloeberghs and Berghman (2003) strongly recommend that feedback should be given by using a combination of 360 degree data with data from ADCs. Bucalo (1974) suggests that an organization can make better future promotional decisions by clubbing AC data with past 'on-the-job' performance data for individuals.

45% respondents have rated between 4 and 5 on 'whether ACs are well utilized in the organization' with a mean score of 3.45. They specify that, some companies use data for carrying out 'trend analysis' by conducting ACs periodically and involve the same consulting firm to carry out all three activities, viz. developing the competency model, assessing competencies and providing feedback to participants. Resultant advantages that accrue are: 1) consulting organizations understand client's competency framework inside-out, 2) same re-

porting formats are used and 3) participants see similar reports and relate to them positively. In a few cases it is observed that some senior managers use data from Assessment Centers to validate their own decision-making process, without involving concerned participants/managers, e.g. on issues like promotion and succession planning.

“Whether there are follow-up procedures to aid the assessee and his manager, to effectively use results” has a mean rating of 3.25. 40% respondents rated in between 4 and 5. This emerges as the least effective aspect of “feedback to participants”. Respondents revealed during interviews that, since follow-up training in the organizations is done with the help of consultants, they often leave the data with HR, resulting in lack of meaningful follow-up action. Respondents strongly argue that, feed-

back is essential; not only for an individual but for the organization also and therefore, organizations should view results seriously and take ownership of processes to effectively utilize results constructively.

The importance of following up assessment centers with developmental activities has been highlighted by many researches. Jones and Whitmore (1995) found that those individuals who did a follow-up on developmental activities after the ADC had better future prospects. Cochran et al (1987) in an ADC found that, senior staff members served as mentors and their role was to assist participants in carrying out developmental plans once they were back on the job. Bucalo (1974) suggests that discussing results in front of supervisors further helps an assessee understand what is actually expected of him in the organization.

**Table 3 Mean Scores & Standard Deviations on ‘Evaluating and Validating the AC’**

		Mean	S.D.
III & IV	EVALUATE CENTER AND SET UP PROCEDURES TO VALIDATE CENTER AGAINST A CRITERION OF JOB SUCCESS		
7	Procedures to evaluate and validate the Assessment Centers	2.5	0.83

Results in Table 3 show that, mean score on ‘evaluation and validation’ is 2.5. Fifty percent respondents scored ‘Never’ (Score 1) or ‘Sometimes’ (Score 2) and only ten percent responded to ‘Generally’ (Score 4) and none to ‘All the time’ (Score 5). It thus emerges that, procedures to evaluate or validate ACs are woefully missing. Respondents have given reasons for lack of such procedures and some recommendations to overcome this glaring limitation. They

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specify that participants are rarely asked for evaluation, but it is essential that a post-assessment center session is conducted to summarize result as well as conclude the program meaningfully (this would make better sense to participants on their reports).

**Table 4 Percentage of Respondents on Aspects of Post-Assessment Center Utilization of Data**

Questionnaire Questions		Percentage of respondents in response categories				
		All the time (5)	Generally (4)	In-between (3)	Some times (2)	Never (1)
Post AC Step I	WRITING SUMMARY REPORTS ON PARTICIPANTS					
1	How effective is the discussion between different assessors?	25	45	20	10	0
2	How effectively does integration of candidate information takes place during the integration session?	20	35	30	15	0
Post AC Step II	FEDBACK TO PARTICIPANTS–A SUMMARY OF PERFORMANCE AT CENTRE FOR DEVELOPMENT ACTIONS					
		5	4	3	2	1
3	How effectively is post-AC data used for feedback?	15	35	50	0	0
4	Do assesses receive feedback on their performance at the center and are they informed of any recommendations made?	10	35	45	10	0
5	Are Assessment Centers well utilized in the organization? How?	10	35	45	10	0
6	Are there follow-up procedures to aid both the assessee and his/her managers to effectively use the results?	5	35	40	20	0
Post AC Step III & IV	EVALUATE CENTRE AND SET UP PROCEDURES TOVALIDATE CENTRE AGAINST A CRITERION OF JOB SUCCESS					
		5	4	3	2	1
7	Are there procedures to evaluate and validate the Assessment Centers?	0	10	40	40	10

The above finding is in consonance with other researches which show that 'evaluation' and 'validity' are two issues that are overlooked in most organizations globally and this needs to be addressed to defend AC results legally, and for any meaningful return on investment (ROI). In a survey in 291 organizations Spychalski et al. (1997) found that reli-

ability or validity was tested by not more than 50% organizations. Eurich et al. (2009) reported that systematic evaluation was conducted by only half the organizations, but they should have exhaustive documentation and validation in order to defend themselves against lawsuits, especially in cases of hiring and promotions.

Krause and Gebert (2003) report that, even at a global level there is only sporadic evaluation of Assessment Centers. Kudisch et al. (2001) also reported that two thirds of the programs did not have any evaluation. Thornton & Krause (2009) found that systematic procedures of documentation and evaluation from participants were rare. Krause & Thornton (2009) urge that participants' evaluation on parameters like 'fairness', 'transparency of the AC process' and 'stress perception' needs to be increased.

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Respondents also revealed that many big and small Indian organizations conduct ACs as a 'one-off' activity. One reason for this could be budget constraints which define the limits and thus affect utilization of results and overall effectiveness of an AC. In many cases an AC was used as a "fad" hence evaluation or validation was not even considered. They strongly opine that AC's need to be a well thought out and continuous process and time needs to be invested in it.

Eurich et al. (2009) report similar results to say that organizational pressures such as rapid changes or the need to cut costs compel organizations to compromise on overall AC requirements. They caution that regardless of such pressures AC developers need to ensure minimally acceptable standards as given in the Guidelines. Alexander (1979) re-

ported from his study that results from ACs were used for short-term promotion decisions, etc. as compared to long-term development of an individual.

### **Summary & Conclusions**

The study shows that, assessors conference is an important aspect of 'Writing Summary Reports on Participants' as it determines the overall rating of a candidate's performance in the AC. Objectivity and neutrality of discussion between assessors and all efforts to eliminate biases come across as important aspects. The discussions between assessors can be improvised by proper assessor training, providing an assessor manual and competency dictionary with behavior indicators to assessors, having audio-visual recordings and by integrating candidate information rather than simply arriving at an average score.

Use of consultants is very popular in India as AC activity only picked up momentum after 1991 when the economy opened up. American and European MNCs started businesses in India and also provide consulting services to Indian MNCs. Many companies outsource AC activity to reputed consultants, with limited personal involvement for obtaining greater objectivity in their own decision making. Recommendations of consultants generally get accepted by senior management, who otherwise possibly might have questioned their own managers.

As India is culturally very different from the West, it is vital that global models be customized to the Indian milieu and

external consultants are selected carefully. A combination of external and internal assessors is recommended for a happy marriage between best practices of the West and local cultural fit. It is, however, important that internal assessors do not get over-awed by reputations of consultants and conversely consultants do not impose themselves on local managements. It is strongly recommended that MNCs in India must also engage with local consulting organizations in conjunction with their existing foreign partners to better understand local demographics.

Many recommendations made by respondents for 'writing summary reports' are related to the first six steps in the AC process (see introduction). If these six activities are not done diligently, there will be direct repercussions on handling post-AC data. Hence, in the planning stage itself post-AC activities need to be well crafted. Most findings from this research are also in accordance with other researches.

Feedback to participants and follow-up training after an AC should be carried out with help of consultants. By involving them, client organizations would know to what extent gaps have been covered by each candidate annually. Some interesting trends emerge; a few organizations combine data from 360 degree feedback and Performance Management System (PMS) with data from AC's to make overall outcomes more effective. Others carry out year-on-year 'trend analysis' by involving the same consultants.

Respondents strongly emphasize that: i) findings must be shared with participants, ii) feedback should be given in a mature/holistic manner and individual development plans (IDP) should be made along with them and iii) organizations should involve participants as stakeholders and provide them adequate resources and support.

Evaluation and validation are overlooked in most organizations although there is awareness about it. Results show that procedures to 'evaluate' and 'validate' are largely missing. Participants are rarely asked for evaluation although it is understood in principle that, a post-AC session must be conducted to summarize results and bring meaningful closure to the program.

Companies that have long-term orientation opine that the end objective has to be clearly defined at the beginning itself, i.e. how organization wants to use the results, criteria of success of an AC, target audience, time at hand, budget, economic viability, etc. Continuous tracking of individuals who passed through ACs helps in validating the process. In the absence of certification of assessors, some companies conduct repeat ACs with same consultants (with a few repeat participants) as a check on reliability of their processes.

**The end objective has to be clearly defined at the beginning itself.**

Organizations in the present study occupy extreme positions in the manner

they use AC techniques. Some use it as a 'fad', while others have a continuous and long-term orientation and any AC conducted is linked to the next program. An investment of a minimum five years is suggested by them for getting meaningful benefits of the AC activity.

Research shows that very little work is done in India on reliability, validity and on overall evaluation of Assessment Centers. Global findings also reveal that this is an ignored area world-wide and definitely needs due attention from the initial stages of planning so that incremental validity is built in at every stage. "Validation process should be well thought out, carefully planned and implemented. Ideally it should begin at the outset of the assessment center activity. The initial steps would be important in establishing 'face validity' of the test instruments to accurately measure criteria of success"(Bucalo, 1974).

### Limitations & Future Research

Sample size is small. Not many organizations are willing to participate in research on post-AC utilization of data. Utilization, evaluation and validation have not reached high levels of maturity, as AC activity in India has only gained momentum around the turn of century. Future research with larger sample sizes can ascertain greater generalizability.

1. This being an exploratory study, participants were questioned on only a few key issues (Table 4) on four steps. Most suggestions given by re-

spondents can be modified and used to create a more detailed questionnaire. This will generate exhaustive quantitative data.

2. A review of AC practices in India / Asia Pacific region will help to evaluate the extent to which professional guidelines are followed. Eurich et al (2009) reviewed AC practices in the United States and report that 93% organizations wanted to use the Guidelines.
3. The use of consultants in emerging markets would progressively increase in order to capture best practices of the West. Research is needed on how consultants can effectively work along with client organizations to create scientifically valid ACs and also assist them in internal capacity building.
4. Growth in emerging markets; especially in South-east Asia is making AC a popular assessment tool. Research can be carried out on any of the limitations cited by Rao & Juneja (2007).

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# The Evolving Profile of Human Resource Professionals in India

**M. Srimannarayana**

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*This study identifies the evolving profile of HR professionals in terms of their background and role and functions in the industry. Unlike in the past, HR professionals entered into the profession through direct recruitment and are qualified in the field. Their employment conditions are at par with other professional groups. Responsive to employees they integrate talent management initiatives with business strategies. They believe that performance management, training and development, staffing, compensation and workforce planning are the most critical areas that contribute to the business strategy. Employees' perception and support for HR initiatives, availability of budget, CEO's perception and support and availability of headcount for HR activities limit their effectiveness.*

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## Introduction

The contribution of Human Resource Management (HRM) to the overall achievement of organizational objectives in the present day dynamic business world is increasingly acknowledged (Guest, 1997). The type of support HRM extends was examined in various studies (Pfeffer, 1994; Delaney & Huselid, 1996; Huselid & Becker, 1997; Ulrich, 1998; Harel & Tzafirir; 1999, Jackson, Hitt & DeNisi, 2004; Ulrich & Brockbank, 2005). HR professionals attempt to ensure that line managers acquire the competencies required to perform successfully their HR responsibilities. HR professionals in high-performing firms function as credible activists. They understand the global business context. They create, audit and orchestrate an effective and strong organization. They develop their organizations' capability for change and then translate that capacity into effective change processes and structures. They innovate and integrate HR practices around a few critical business issues. Effective HR professionals ensure that desired business results are clearly and precisely prioritized. They apply technology not only to basic HR

work, but also to help people stay connected with one another and increase HR's role in the management of information (Ulrich, Younger, Brockbank & Ulrich, 2013). All the above are generic qualities of HR professionals that influence the role of HR in general. It is argued that there are certain nation specific factors that determine the HRM practices and the role of HR (Easterby-Smith, Mailna & Yuan, 1995; Sparrow, 1995; Sparrow & Hiltrop, 1994; Hofstede, 1993). The present study examines the evolving profile, role and functions of HR professionals in India.

### **HRM in India**

The origins of human resource function in India go back to the 1920s when it was a concern for labor welfare in factories (Budhwar, 2009). In India personnel management has been of comparatively late growth, and has only developed on a wider scale since Independence. Government legislation has played a vital role in the evolution of personnel management/HRM in India. The business acumen, economic conditions, and social set up have also contributed in shaping personnel practices (Balasubramanian, 1995). The cotton textile industry in Bombay and the jute industry in Bengal had started to employ labor welfare officers before, and during the Second World War. The interaction of government policy and the initiative of the leading employers' associations in the textile industries brought about the rapid development of personnel management in India just before and during the War. It was the problems and the discontent which

arose with the old system of recruitment through jobbers that led the Royal Commission on Labor (1931) to advocate the appointment of labor officers. These officers worked as industrial relations officers and their functions included handling grievances and prevention of disputes (IIPM, 1962).

The provision for appointment of welfare officers in factories under the Factories Act, 1948 has contributed to the growth of the institution of welfare officers in India. Welfare officers were appointed in factories to look after health, welfare and safety of workers. With further industrialization, the personnel officer emerged around 1960s (Kudchedkar, 1979). The evolution of personnel management in India was broadly classified into five phases (Venkata Ratnam & Srivastava, 1991). The beginning phase was 1920s to 1930s. During this period the status of the department was predominantly clerical and the activities were confined to statutory welfare, and paternalistic welfare programs. During the second stage (1940s to 1960s), the personnel profession struggled for recognition, emphasizing on introducing techniques. In the third stage from 1970s to 1980s the profession made attempts to impress with sophistication, emphasizing on regularity conformance, and imposing standards on other functions. The period of 1990s was a promising phase of personnel profession in India with a philosophical outlook, emphasizing on human values, and productivity through people. The liberalization of the Indian economy has created the pressure on Indian HR function to be-

**The liberalization of the Indian economy has created the pressure on Indian HR function to become more creative and innovative.**

come more creative and innovative (Budhwar, 2000). The period 2000 onwards is one of rationalization in which the outlook is strategic with emphasis on organizational performance (Budhwar, 2009). Over a period of time the role of personnel/ HR has been elevated from clerical to administrative, administrative to managerial, managerial to executive, and executive to strategic partner (Venkata Ratnam & Srivastava, 1991; Budhwar, 2009).

### Methodology

This is an exploratory study aimed at drawing a profile of Indian HR professionals in terms of their age, gender, present role, professional qualifications, mode of entry into HR profession, career and membership in professional bodies, and their organizations' characteristics. It attempts to find out the roles and functions performed by the HR professionals in their respective organizations. A questionnaire was prepared covering all the aspects mentioned above. The first part of the questionnaire consisted of items relating to organizations which HR professionals represent. The second part consisted of items on critical HRM areas, HR function and HR's role replicating from the study of Society for Human Resource Management (SHRM, 2008). The third part consisted of questions related to their employment conditions. A

five-item scale was used to measure career satisfaction (Lounsbury, Gibson, Steel, Sundstrom, and Loveland, 2004). The last part of the questionnaire covered questions relating to the respondents' demographic factors. The questionnaire was distributed among 500 HR professionals across India using convenience random sampling method. Out of these, 124 usable responses were received. The information given by these respondents formed the basis for analysis. The information was analyzed qualitatively and quantitatively using frequency distribution, percentages and mean scores.

### Demographic Characteristics

As indicated in Table 1, nearly half of the respondents were females which indicate by and large equal participation of men and women in the HR profession in India. Their average age is calculated at 33.8 years. Nearly two-thirds of HR professionals were HR generalists and the remaining were HR specialists in the areas such as staffing, learning and development, compensation, employee relations and organizational development. They had different designations such as business partner, officer, consultant, executive, assistant manager, deputy manager, manager, senior manager, chief manager, assistant general manager, deputy general manager, general manager, assistant vice president, and head. Interestingly about 95% of them had post-graduate professional qualification in business administration/human resource management/personnel management/industrial relations/ social work with special-

ization in personnel management/psychology. An overwhelming majority (89.43%) of them entered into HR profession through direct recruitment and not by transfer or promotion. Over two-thirds of them started their career at executive/ managerial level in HR field. The average experience in HR of the respondents is calculated at 7.6 years. About 45% of them also had experience in non-HR function areas. This is calculated at 2.5 years. Though the

sampled HR professionals were distributed among all the three levels of management, the single largest group of them was in the middle level. As far as membership in professional bodies is concerned, it is observed that one-third of them were associated with professional bodies such of National Human Resource Development (NHRD) network, National Institute of Personnel Management (NIPM), and Society for Human Resource Management (SHRM).

**Table 1 Respondents' Demographic Characteristics**

<b>Gender</b>	<b>%</b>	<b>Field in which career began</b>	<b>%</b>
Male	51.61	HR	76.61
Female	48.39	Others than HR	23.39
<b>Present HR role</b>		<b>Experience in other than HR</b>	
HR Generalist	73.39	NO	54.84
HR Specialist	26.61	YES	45.16
<b>Professional qualification</b>		<b>Level of management</b>	
YES	94.69	Lower	34.68
NO	5.31	Middle	49.19
<b>Mode of entry into HR</b>		Senior	16.13
Direct recruitment	89.43	<b>Membership in professional bodies</b>	
Promotion cum transfer	5.69	Yes	33.06
Transfer	5.69	No	66.94
<b>Level in which career began</b>			
Clerical	4.84		
Supervisory	18.55		
Executive/Managerial	76.61		

### Organizational Characteristics

The distribution of respondents based on their organizational characteristics is presented in Table 2. The single largest group (45.97%) belonged to manufacturing sector covering units such as automobiles, chemicals, engineering, electronics, fertilizers, fast moving consumer goods, oil and gas, power, and steel. This was followed by the respondents of service organizations (33.87%) such as airlines,

banking, business services, consulting companies, education, financial services, health care, insurance, media, retail and telecommunications units. The remaining group (20.16%) respondents belonged to information technology organizations. Ownership-wise, nearly two-thirds of them belonged to the private sector, about one-fourth of them being from the public sector. Nearly three-fifths of the respondent group was working for Indian multinational companies (IMNCs). The remain-

ing was equally distributed between Indian companies and foreign multinational companies (FMNCs). The respondents represented single business units (25%), diversified business units (52.42%) and

holding companies (22.58%). A majority (61.30%) of the respondents belonged to large organizations. The remaining were equally distributed among small and medium organizations.

**Table 2 Organizational Information of the Respondents**

	Number of Respondents	Percentage
<b>Nature of business</b>		
Manufacturing	57	45.97
Service	42	33.87
Information Technology	25	20.16
<b>Ownership</b>		
Public Sector	29	23.39
Private sector	91	73.39
Joint venture (Public & private )	1	0.81
Joint venture (private & private )	3	2.42
<b>Geographic Orientation</b>		
Indian company	38	30.65
Indian multinational company	48	38.71
Foreign multinational company	38	30.65
<b>Position of the business unit</b>		
Single business unit	31	25.00
Diversified business	65	52.42
Holding company	28	22.58
<b>Organizational size</b>		
Small organizations (Less than 500 employees)	24	19.35
Medium organizations (Less than 1000 employees)	24	19.35
Large organizations (More than 1000 employees)	76	61.29

### Professionalism in HR

As shown in fig. 1, over half of the HR professionals rated professionalism of HR as 'fair'. This has been followed by 'high' rating. However a small set of HR professionals viewed that HR was seriously lacking professionalism. This indicates that more work is still required in terms of attitudes, values and behavior associated with the profession. However,

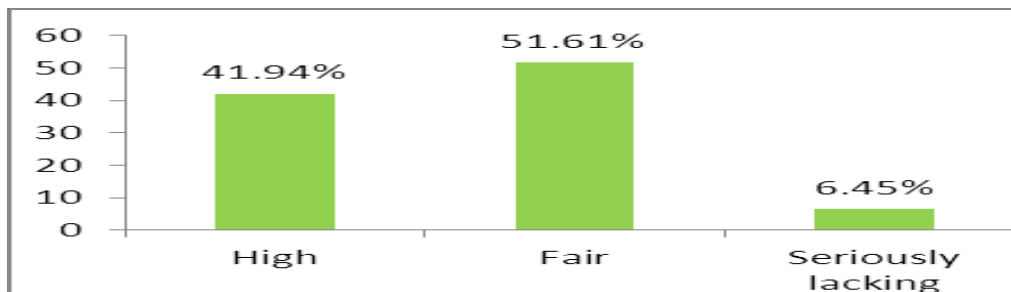
**Over the years, professionalism of HR has increased because of professionally qualified personnel.**

overall, it can be stated that over the years, professionalism of HR has increased because of professionally qualified personnel who occupied HR positions.

### Employment Conditions

The HR professionals were asked to rate a select set of employment conditions such as remuneration, career advancement, learning and development opportunities, and their nature of work, compared with other professionals in their organizations in the functional areas of operations, marketing and finance. The outcome is presented in Table 3.

Fig. 1: Professionalism of HR



**Remuneration:** A majority of the HR professionals stated that their remuneration was at par with their counterparts in their respective organizations. A small group of them rated their remuneration as 'better' than of the others. However, nearly two-fifths of them were of the opinion that the remuneration 'could be better'. When data was analyzed by organizational type, it was found that a majority of HR professionals in the service sector, a significant group in the IT sector, Indian MNCs, small and medium organizations expressed this feeling. It is significant to note that HR professionals in the public sector seem to be happier with their remuneration than the others.

**Career Advancement:** Nearly half of the HR professionals felt that the opportunities for their career advancement were at par with other professionals. About one-tenth of them viewed that their situation was better than of the others. The remainder group of respondents perceived that their career advancement opportunities could be better as compared with other professionals'. A majority of HR professionals in Indian companies, every alternative HR professional in service sector, a significant group from publicly owned organizations,

small and medium companies expressed this feeling.

**Learning and Development:** The single largest group (46.77%) rated that the learning and development opportunities for HR professionals in their organizations were at par with other professionals. 14.52% stated that they had better learning opportunities than the others. However, 38.71% mentioned that the opportunities 'could be better'. A majority of the respondents from manufacturing units, publicly owned companies and Indian companies considered the learning opportunities 'at par' with others. When data was analyzed by organizational type, it was noticed that a significant group of respondents from IT sector, private companies, Indian MNCs, and medium organizations felt the learning opportunities 'could be better'. Overall, it can be stated that learning and development opportunities offered to HR professionals were comparable with other professionals in their respective organizations.

**Nature of Work:** It could be seen that, overall, nearly half of the respondents considered that their nature of work in terms of challenges and contribution to the organizational goals was at

par with other professionals in their respective organizations. It is interesting to note that nearly one-fourth of the respondents rated their work as better than of other professionals. The remaining respondents felt that their work 'could be better'. When data was analyzed by organization type, it was found that a significant group of HR professionals working in manufacturing organizations, publicly owned companies, Indian MNCs, and medium organizations were not much happy with their nature of work. It is important to note that the single largest group of respondents belonging to the service sector and small organizations considered that their work was better compared to other professionals in their organizations. Overall, it can be stated that the nature of work of HR professionals is found to be challenging and contributing towards achievement of organizational objectives.

**The nature of work of HR professionals is found to be challenging and contributing towards achievement of organizational objectives.**

**Table 3 Perception of the Respondents on Their Employment Conditions (%)**

Items	Type of Organization											
	Overall	Manu facturing	Service	IT	Public	Private	Indian	IMNC	FMNC	Small	Medium	Large
<b>Remuneration</b>												
At Par with others	54.84	68.42	40.48	48	75.86	49.45	55.26	50	60.53	50	50	57.89
Better than others	5.65	5.26	7.14	4	6.9	4.4	10.53	2.08	5.26	4.17	4.17	6.58
Could be better than others	39.52	26.32	52.38	48	17.24	46.15	34.21	47.92	34.21	45.83	45.83	35.53
<b>Career Advancement</b>												
At Par with others	48.39	52.63	38.1	56	44.83	49.45	36.84	52.08	55.26	41.67	54.17	48.68
Better than others	10.48	8.77	11.9	12	6.9	10.99	7.89	8.33	15.79	12.5	0	13.16
Could be better than others	41.13	38.6	50	32	48.28	39.56	55.26	39.58	28.95	45.83	45.83	38.16
<b>Learning and Development</b>												
At Par with others	46.77	52.63	45.24	36	58.62	42.86	55.26	41.67	44.74	33.33	54.17	48.68
Better than others	14.52	10.53	19.05	16	13.79	14.29	18.42	10.42	15.79	29.17	8.33	11.84
Could be better than others	38.71	36.84	35.71	48	27.59	42.86	26.32	47.92	39.47	37.5	37.5	39.47
<b>Nature of work</b>												
At Par with others	48.39	52.63	40.48	52	51.72	49.45	44.74	45.83	55.26	37.5	50	51.32
Better than others	24.19	10.53	42.86	24	13.79	25.27	23.68	18.75	31.58	37.5	16.67	22.37
Could be better than others	27.42	36.84	16.67	24	34.48	25.27	31.58	35.42	13.16	25	33.33	26.32

### Career Satisfaction

In addition to career advancement opportunities of HR professionals compared with other professionals, this study made an attempt to assess the career satisfaction of HR professionals in absolute terms. A five-item scale has been used to measure career satisfaction (Lounsbury et al, 2004). The items are:

1. I am satisfied with the success I have achieved in my career
2. I am satisfied with the progress I have made toward meeting my overall career goals
3. I am satisfied with the progress I have made toward meeting my goals for income
4. I am satisfied with the progress I have made toward meeting my goals for advancement

5. I am satisfied with the progress I have made toward meeting my goals for the development of new skills

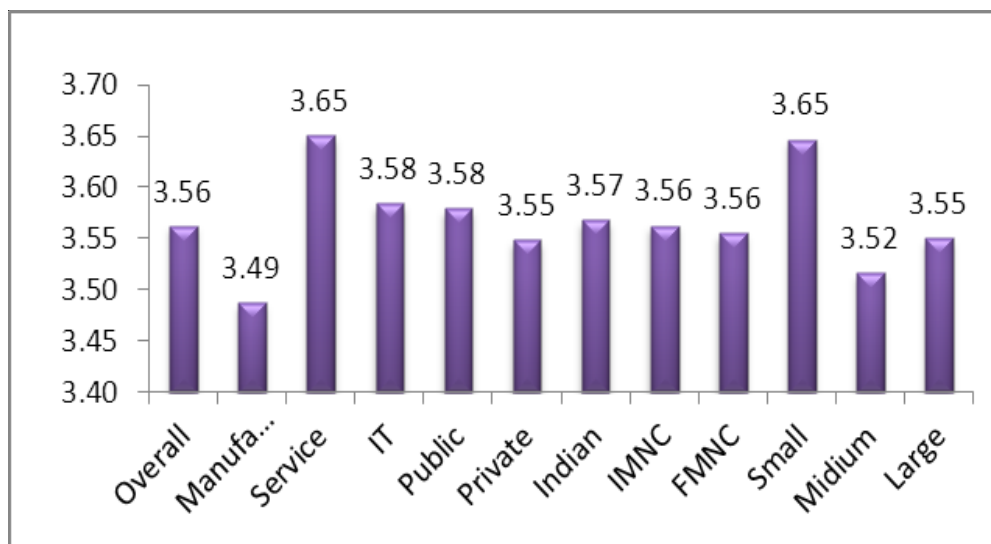
The responses were collected on a five-point scale. The overall average score on all the five-items was calculated as 3.56, which indicates that the HR professionals, by and large, were happy with their career. As presented in Figure 2, comparative data indicates that HR professionals in the service sector and small organizations were more satisfied than the others, whereas those in manufacturing and medium organizations were relatively less satisfied.

**HR professionals, by and large, were happy with their career.**

### Mentoring HR Professionals

Mentoring HR professionals by senior people is a means through which

Fig.2 Career Satisfaction of HR Professionals



HR professionals can be updated about the expectations of their stakeholders. This would help HR professionals to contribute to the organizational success. It is significant to note that as presented in Table 4, an overwhelming majority (84.55%) of HR professionals received mentoring. Organization-wise, not much significant difference was observed. However, it can be seen that almost all (92.17%) HR professionals, who belonged to foreign MNCs, received mentoring. They received mentoring from different sources. Senior HR professionals were found to be a major source of mentoring their juniors. This was followed by members of the senior management team. CEOs were also found to be a source of mentoring for a few HR professionals. It is also observed that there were a few HR professionals who received mentoring from external consultants arranged by their respective organizations. Another few received mentoring from a combination of senior management team and external consultants.

**Critical HR Areas**

Managing employees involves a combination of activities. However there are certain critical HR areas that contribute to business strategy. According to SHRM (2008) study conducted in USA staffing, training and development, employee benefits, employee relations and strategic planning were the top five critical HR functional areas that contributed to business strategy. The HR professionals of the present study were asked to identify the most critical HR areas that contribute to their respective organizations' present business strategy. The results showed some difference in the critical HR areas of USA and India. It can be seen from Table 5 that, overall, the top five critical HR areas that contributed to an organization's present business in India were: performance management, training and development, staffing, compensation, and workforce planning. There were slight differences observed in the critical HR areas based on the organizational characteristics. Performance management and

**Table 4 Mentoring HR Professionals (%)**

Responses (N=123)	Type of Organizations											
	Overall	Manufacturing	Service	IT	Public	Private	Indian	IMNC	FMNC	Small	Medium	Large
Yes	84.55	82.14	88.10	84	82.76	84.44	83.78	79.17	92.11	83.33	83.33	85.33
No	15.45	17.86	11.90	16	17.24	15.56	16.22	20.83	7.89	16.67	16.67	14.67

training and development and employee relations were critical HR functional areas in the manufacturing sector. Staffing, compensation and performance management were the critical HR areas in service sector whereas training and development, performance management and staffing were the critical areas in IT sector. Ownership-wise, it is observed that employee relation was the critical HRM area for public

sector companies. There was not much difference in the critical HR areas based on the geographical orientation of the organizations. However, strategic planning emerged as the critical HR area in small organizations.

**Strategic planning emerged as the critical HR area in small organizations.**

**Table 5 The Most Critical HRM Areas That Contribute to the Organizational Current Business Strategy**

Rank	Critical HR area	Overall (%)N= 102
1	Performance management	70.04
2	Training and development	67.98
3	Staffing/employment/recruitment	66.95
4	Compensation	59.74
5	Workforce planning	56.65
6	Employee benefits and services	54.59
7	Employee relations	54.59
8	Organizational development	49.44
9	Legal compliance	48.41
10	Strategic planning	48.41
11	Change management	46.35
12	Communications	46.35
13	Human resource information systems (HRIS)	42.23
14	Health, safety, security	35.02
15	Administrative/transactional	33.99
16	HR measurement	25.75
17	Diversity management	22.66
18	Handling trade unions	22.66
19	HR Research	7.21
20	International HRM	7.21

Note: data sorted in descending order. Percentages do not total 100% due to multiple response options

**Functions & Role of HR Professionals**

In general, HR department performs multiple functions, roles and responsibilities. The respondents were asked to in-

dicate their agreement with various functions of HR department. As shown in Table 6, HR department was predominantly responsive to employees at all levels. It integrated talent management initiatives with business strategy. It also

conducted the administrative work, understood the core of an organization's business, and actively shaped the organization's culture. The lowest percentages were given to statements such as facilitating change within the organization, and contributing to the strategic vision and directly impacting on business processes. There were slight differences in the functions of HR department be-

tween the findings of this study and SHRM (2008). Conducting administrative work received first position in SHRM (2008) study. But in this study responding to employees at all levels received first position and administrative work received fourth position. Interestingly, in both the studies 'understanding the core of the organization's business' received second position.

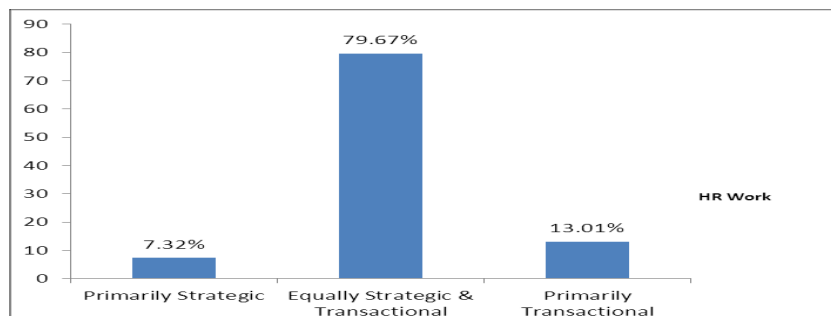
**Table 6 Perception of the Respondents on HR Functions**

Rank	HR functions	%
1	HR responsive to employees at all levels	81.55
2	HR understands the core of the organization's business	80.58
3	HR integrates talent management initiatives with business Strategy	80.58
4	HR conducts the administrative/transactional work pertaining to employees	77.67
5	HR actively shapes the organization's culture	71.84
6	HR contributes to the strategic vision	66.99
7	HR facilitates change within the organization	65.05
8	HR has a direct impact on business processes	59.22

HR professionals of the study were asked their views on the present role of the HR departments. A great majority (79.67%) of them viewed that the role of HR in their organizations was equally strategic and transactional. 13.01% reported that the predominant role of the HR department was transactional. The remaining 7.32% of them mentioned that

their HR department's role was primarily strategic. SHRM (2008) study also found the same overall trend. But there is a slight difference between the present study and SHRM (2008) study in this regard. SHRM (2008) study indicated that nearly two-thirds of HR departments were equally strategic and transactional, whereas this study found that nearly

**Figure 3 Nature of HR Work**



four-fifths of the organizations were under this category. Difference emerged when data was analyzed by organization type in this study. All the organizations which were primarily strategic, were private sector companies. Service organizations were more likely than other sectors.

### Measuring HR Impact

Accountability in HRM is one of the important trends. There are attempts made in Indian industry to measure the HR activities undertaken in various organizations to some extent. But the focus of measurement is largely on traditional HR measures, not on business impact measures (Srimannarayana, 2009). As illustrated in Table 7, less than half (46.77%) of the HR professionals pointed out that their organizations calculated the impact of HR contribution. These organizations used different methods to measure impact of HR activities. They included balanced score card, HR audit, HR metrics, employee engagement/pulse/Gallup/feedback surveys, personnel costs, before and after HR program surveys, and ROI calculations for a few HR programs. When data was analyzed by organizational characteristics-wise, some differences emerged. It is observed that IT organizations, multinational companies, and large units were more likely into measuring HR impact than their counterparts.

### Barriers to HR Effectiveness

As HR management is a supportive function, its effectiveness depends on various factors. The respondents were asked to identify the organizational obstacles that hinder HR efforts and limits HR effectiveness. As illustrated in Table 8, the major barriers found to be non-managerial (48.39%) and managerial (47.58%) employees' per-

**The major barriers found to be non-managerial (48.39%) and managerial (47.58%) employees' perception and support for HR initiatives.**

Table 7 Measuring HR Impact (%)

Response	Type of Organizations											
	Overall	Manufacturing	Service	IT	Public	Private	Indian	IMNC	FMNC	Small	Medium	Large
Yes	46.77	31.58	54.76	68	20.69	56.04	23.68	58.33	55.26	33.33	45.83	51.32
No	53.23	68.42	45.24	32	79.31	43.96	76.32	41.67	44.74	66.67	54.17	48.68

ception and support for HR initiatives. The other barriers include: availability of budget for HR initiatives, limited headcount in HR department, and CEO's perception and support. When compared to SHRM study (2008), some differences were identified. According to SHRM (2008) study, budget and HR headcount were the major obstacles. HR departments might not be in a position to take some of the HR initiatives due to these problems. But as far as the present study is concerned, these were also barriers, but not major ones. Support from the employees, managerial or non-managerial, was the concern. When the data were analyzed organizational characteristics-wise,

**Table 8 Barriers for HR Effectiveness (%)**

Type of Organizations		Overall	Manufacturing	Service	IT	Public	Private	Indian	IMNC	FMNC	Small	Medium	Large
Management/executive team's perception and support	Available budget for HR activities	47.58	35.09	69.05	40.00	37.93	50.55	36.84	50.00	55.26	45.83	66.67	42.11
Non-managerial employee perception and support	Available headcount for HR activities	29.84	33.33	26.19	28.00	20.69	31.87	28.95	29.17	31.58	33.33	20.83	31.58
CEO's perception and support		48.39	57.89	40.48	44.00	58.62	47.25	55.26	43.75	50.00	50.00	37.50	52.63
		13.71	15.79	14.29	8.00	17.24	13.19	15.79	12.50	13.16	29.17	8.33	10.53
		25.81	22.81	19.05	48.00	34.48	24.18	31.58	22.92	26.32	12.50	20.83	32.89

Note: Percentages do not total 100% due to multiple response options

not much difference was observed except one, that is, the major barrier for IT sector was CEO's perception and support for HR initiatives.

### **Conclusion**

The analysis of demographic data of the HR professionals leads to the conclusion that unlike in the past, people enter into HR profession by way of direct recruitment and with professional qualifications in the field. The profession which started with the appointment of former military personnel as labor officers in India is now manned with professionally qualified people. The employment conditions such as nature of work, learning and development opportunities, remuneration and career advancement are at par with other professional groups and they are happy with their career. They receive mentoring on career-related issues from different sources such as senior HR professionals, senior management team, CEOs and in some cases, from external consultants arranged by their respective organizations.

**Performance management, training and development, staffing, compensation, and workforce planning are the most critical areas that contribute to the business strategy.**

The analysis of data relating to HR functional areas leads to the conclusion that HR professionals believe that performance management, training and development, staffing, compensation, and workforce planning are the most critical

areas that contribute to the business strategy. HR professionals are responsive to employees at all levels and perform administrative work. They attempt to integrate talent management initiatives with business strategy, understand the core of an organization's business, actively shape the organization's culture, facilitate change within the organization, and contribute to the strategic vision. In this context, it may be stated that the HR profession, which was confined to recruitment, grievance handling and labor welfare in its earlier stages, now contribute effectively in achieving organizational success.

HR professionals believe that there are obstacles to HR effectiveness. Employees' perception and support for HR initiatives, lack of enough budget and HR staff, and CEO's perception and support limit HR effectiveness. Finally, it may be stated that if the HR professionals can progress well with measuring impact of HR initiatives and show tangible benefits they can bring positive changes in the perception of all their stakeholders and overcome the other obstacles to HR effectiveness.

### **Limitations**

Though the study provides meaningful insights into the profile and functions of HR professionals in India, there are certain limitations to this study. The source of information is self-reports of HR professionals. The limited size of the sample is another limitation. The distribution of the sample of organizations in terms of nature of business, and owner-

ship is not even. In spite of these limitations, the study has made an attempt to draw a profile of HR professionals covering different sectors of organizations in different locations in India.

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