

# Transformation of HR Professionals to be a Change Agent: Realistic Goal or Just a Dream

Choi Sang Long

Faculty of Management & HRD, Universiti Teknologi Malaysia

**Abstract**—This paper examines the role of Human Resource (HR) professionals as change agents and the competencies they need to possess in order to execute this role. HR professionals as change agents have the responsibility to ease the effect changes in the organization and protect employees against the side effects of the inevitable changes. Sometimes, the change helps to introduce a significant increase of the performance and the company can boost the sales and production without additional costs. Several vital competencies that are reviewed in this paper including effective relationship, value chain knowledge, conflict management, performance management and human resource development (HRD) skills. Base on the findings in the literature reviews, all these competencies are expected to relate with the role of change agent. HR professionals for their inability to function as change agents will inevitably create a barrier against them from becoming a well-integrated strategic partner.

**Index Terms**—HR competencies, roles, value chain knowledge, performance management, effective relationship, change agent.

## I. INTRODUCTION

Human Resource (HR) professionals as change agents have the responsibility to ease the affect changes in the organization and protect employees against the side effects of the inevitable changes [1]. Sometimes, the change helps to introduce a significant increase of the performance and the company can boost the sales and production without additional costs. The change agent facilitates these changes in the organization and is a part of all the major projects having a potential impact on employees. HR management includes several actions related to project charter and plans that are to help employees understand the impact of a project on their lives in the organization. The HR professional functions most effectively when he or she is part of the leadership team at all levels, focusing on business priorities, rather than just personal issues. When this is working, the entire enterprise sees the importance of people and the HR professional becomes a contributor at a much higher level and with much greater influence [2].

Unfortunately, several studies recently indicated that many HR professionals in Asia are still lagging behind as a change agent compared to the western counterpart [3]-

[7] 1999). Furthermore, a study by Yusoff, *et al.* [8] claims that HR role effectiveness as change agent is among the lowest in the manufacturing and servicing sector of Malaysia. Therefore, this study will address the above issue by looking into critical competencies required of HR professionals in order for them to function effectively as change agents.

## II. REVIEW OF THE LITERATURE

### A. The Role of Change Agent

The change agent role makes the HR professional responsible for the smooth transition in the people area during periods of large change in the organization [9]. The change agent is not just responsible for smooth transitions during changes, the change agent must also propose changes to the top management based on best market practices. The change agent is always in a precarious position within the organization and the buy-in from the management is essential. The change agent has to use the knowledge of the employees and essential change management techniques to minimize the cost of the transition. The top management may require the HR professionals to support the change initiatives in the organization. As project leaders, they need to be familiar with the interests of the employees so that the initiatives can be adjusted to make the employees feel more comfortable with the changes that occur [10].

Greene [11] argues that, as it deals with the culture of an organization, the HR department is uniquely positioned to take responsibility for this role in the firm. Csoka [12] further suggests that HR professionals can add significant value through the management of the change processes in an organization. Ehrlich [13] adds that the HR department must anticipate change and be knowledgeable in its implementation.

The change agent must be able to align different projects and imagine their impact on employees. Employees are rarely able to absorb a large number of changes at one time, and the change agent should prepare a proper communication plan. The change agent can help employees to understand a change and thus minimize its impact. In the new results-oriented business environment, competencies play an important role in focusing attention on the skill base of the HR workforce. These skills provide a standard for measuring employee preparedness, developmental needs, and performance. The HR department serves as a launching pad for strategic change [14].

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### *B. Competency Skills of HR Professionals*

Ulrich et.al [14] define competency as the ability to add value to the business; competence must focus on the process leading from changing business conditions to achieving sustainable competitive advantage. This HR model combines various aspects of competencies into five domains: strategic contribution, knowledge of the business, personal credibility, HR delivery and HR technology. They argue that competent HR professionals will have the personal credibility coupled with knowledge and behaviours to ensure that HR practices align with and accomplish business outcomes.

There are several major studies on HR competencies. One study reports that academicians argue that a broad and forward-looking knowledge of human resources was the most important issue while consultants believed that the ability to effect change was the most important for superior HR performance [9]. Another study, examining 300 HR professionals from various sectors, finds a set of core HR competencies consisting of leadership style, management intuition, functional capabilities, and personal attributes [15]. Ulrich, Brockbank, Yeung, and Lake [16] suggest that HR professionals need to be more knowledgeable about financial management, external competitive and customer demands, and possess the ability to work with line managers and the community effectively. Further review of literatures show several key competencies are as follow :

#### *1) Effective relationship skill*

HR professionals must be credible to both their HR counterparts and the business line managers whom they serve. They need to deliver results and establish a reliable track record. Furthermore, working well with others by building good professional relationship is vital in developing the ability to work together with others effectively. In addition, HR professionals must have effective writing and verbal communication skills [17]. The findings of the study by Boselie & Paauwe [17] correspond to the prior research of Kelly and Gennard [18], who have found that HR directors require professional competency in those social skills that allow them to develop effective interpersonal relations with other board directors. Without this ability, HR professionals would not be able to spearhead change effort and unable to get cooperation from various parties in an organization.

#### *2) Human resource development (HRD) skill*

Human Resource Development (HRD) helps employees develop their personal and organizational knowledge, skills, and abilities. HR professionals must acquire this skill to ensure a smooth implementation of systematic employee training, career development, performance management and development, coaching, mentoring, succession planning and organization development. Furthermore, HR professionals as change agent need to understand the learning process and how to create an environment that facilitates learning can design and implement more effective HRD interventions [19]. The focus of all aspects of HRD is on developing the

most superior workforce so that the organization and individual employees can accomplish their work goals in service to customers. Healthy organizations believe in HRD and HR professionals must play a key role in making this development takes place in their organization [20].

#### *3) Performance management*

Performance management is define as a process that unites goal setting, performance appraisal, and development into a single, common system whose aim is to ensure that employee's performance is supporting the company's strategic aims [20]. HR professionals need to ensure this system work effectively in their organization. However, performance management can only be successful if it is jointly executed by HR professionals and line managers. Furthermore, a HR professional that plays a change agent role need to alert constantly on way in improving employees' productivity and work performance. HR also needs to possess this competency to ensure proper tools or instruments are used to measure employee's performance [21].

#### *4) Value chain knowledge*

To become a change agent and key players in the organization, HR professionals must understand the business or industry of the company they serve. Boselie and Paauwe [17] stress that the key areas of knowledge include an applied understanding of the integrated value chain (how the firm horizontally integrates). HR professionals must understand how their business or agency operates. This includes the organization's strategy, how the organization makes money or achieves its primary purpose, its technological processes and organizational capabilities, etc. Therefore, HR professionals should develop their knowledge of such areas as finance, marketing, operations, and general management [22].

#### *5) Conflict management*

HR professionals are able to contribution to organizational success if they can resolve conflicts among members in the organization. They can also impart conflict management skills, such as active listening and depersonalizing issues. They need to role-model them in their interactions throughout the organization. HR professionals must also be willing to step up and play at a much higher level, especially when dealing with senior executive teams [23]. By assuming a key role in helping teams learn to manage conflict, HR professionals can receive greater exposure, make a more substantial impact and contribute significantly to business results. Playing at this new level means taking greater risks, but it also brings greater rewards than sitting on the sidelines, uninvolved [24].

### *C. Relationship between HR Competencies and Role of Change Agent*

Huselid *et al.* [25] stress that business-related competencies are important to HR professionals because they enable them to understand how business considerations unique to an organization can create

organization-specific HR management needs. Business-related competencies refer to amount of business skills and the experience that staff members have outside their functional specialty especially understanding of the value chain knowledge of the organization. These competencies should determine HR roles especially facilitate the selection and implementation of change that fits the unique characteristics of an organization. Furthermore, study by Pietersen and Engelbrecht [26] about strategic partnership role of HR Managers in South Africa organizations also support notion by Huselid *et al.* [25].

Buchanan and Boddy [27] have carried out a study on the perceived effectiveness of change agents. On that basis, they compiled several important competencies of change agents such as communication and relationship skills, team building abilities, setting of clearly defined goals and influencing skills.

Lawler and Mohrman [28] studied the skills of HR managers and their findings support view that HR professionals who wanted to be a change agent need to be an expert in understanding of business strategy and ways to support its implementation. However, the study shows that the highest level of job satisfaction of HR professionals was experienced when utilizing traditional HR skills while the lowest level of satisfaction was found to be in exercising business partner skills. One of the most important core HR practice is focusing in human resource development. Implementation of change in an organization requires proper human resource development programs to be executed [29].

Ulrich *et al.* [14] argue that competency such as strategic contribution, personal credibility, business knowledge, and HR technology competencies are all pivotal to HR being an effective change agent. Long and Ismail [4] study on thirty two HR managers also found that relationship skill is pivotal to transform HR professionals as a change agent. Effective relationship skill is able to assist in improving work processes and systems through proper intervention and change efforts that influence the organization as a whole.

Ulrich and Brockbank [1] point out that being a change agent represents part of the strategic partner roles. HR professionals fulfill multiple, and not single roles. HR professionals must fulfill both operational and strategic roles. These roles can be played by possessing several vital competencies. One of the important factors in the HR competency is performance management. This factor deals with the extent to which HR professionals embodied the values of firms and act with attitude in dealing with organizational change issues, improving productivity and creating results.

Panayotopoulou and Papalexandris [30] using the competing values framework (CVF) describe HR roles are related to several specific competencies. Base on this framework, change agent role is related to competencies such as conflict management skill and ability to manage employees' performance. Conflict management skill is vital in an organization. Conflict between employees can give negative impact to the organization if it is not

resolved immediately. Heavy internal conflict can result in internal bickering and politicking among employees.

#### D. Research Proposition and Conceptual Model

This paper would like to explore the linkage between HR competencies and HR role as a change agent as shown in the authors' conceptual model (Fig. 1). Therefore, proposition established states that:

*Proposition: All HR competencies are related to the role of change agent.*

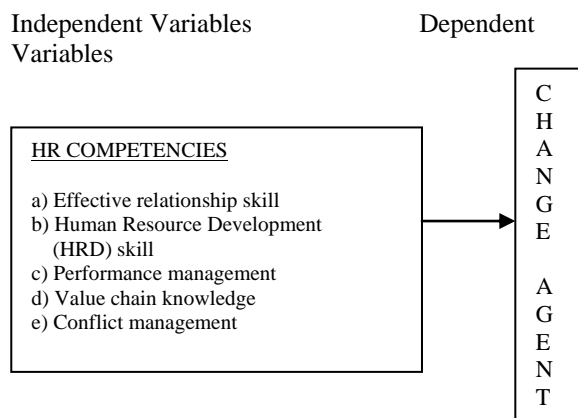


Figure 1. Research conceptual model

### III. CONCLUSION

The literature review of this paper shows that HR professionals need to have specific competencies to enable them to be a change agent. All these competencies are expected to relate significantly with the role of change agent. Lacking of these specific competencies is the main problem for HR professionals to become the change agents in their organizations. Their inability to function as change agents will inevitably create a barrier against them becoming a well-integrated strategic partner.

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**Dr. Choi Sang Long** obtained his Bachelor Degree in Psychology from the National University of Malaysia and Master Degree in Human Resource Development from Universiti Teknologi Malaysia (UTM). He also completed his PhD studies in UTM. Prior to joining the education industry, he has more than 18 years of corporate managerial experience with local and multi-national organizations. He serves as senior management member with organizations in various industries such as the retailing, servicing, education and manufacturing sector. He also provides HR consultation services in the manufacturing and education sector. Currently he serves in Universiti Teknologi Malaysia as a Senior Lecturer / Researcher / Consultant. His research interest is in human resource management and organizational behavior.