STRATEGIC PARTNER ROLE AS MEDIATOR IN THE RELATIONSHIP BETWEEN HUMAN RESOURCE COMPETENCIES AND ORGANIZATIONAL PERFORMANCE

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UNIVERSITI TEKNOLOGI MALAYSIA
STRATEGIC PARTNER ROLE AS MEDIATOR IN THE RELATIONSHIP BETWEEN HUMAN RESOURCE COMPETENCIES AND ORGANIZATIONAL PERFORMANCE

UTI CHARLES AMECHI

A thesis submitted in fulfilment of the requirements for the award of the degree of Doctor of Philosophy (Management)

Faculty of Management
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Specially dedicated to GOD Almighty, my source and my wisdom.

Also, to my lovely wife, Uchey (Charisa) and my son, Chimbuchi

I love you both.

And to the loving memories of my late father and mentor, Chief Victor N. Uti (JP) for his inspiration and encouragement for higher academic attainment.

To GOD be all the Glory!
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The concept of human resource (HR) strategic business partnering has begun to gain acceptance as a practice for improving business performance. To add value to organizations, HR as a strategic business partner is expected to acquire and demonstrate the knowledge of requisite critical competencies. Literature review reveals that the studies addressing jointly the conceptual relationship between HR competencies and strategic partner role are limited. Therefore, this study investigated the HR strategic partner role as mediator by examining the mediating effect of its role in the relationship between HR competencies and organizational performance by adapting the Ulrich HR Role Model. The study also examined HR competencies such as strategic positioner, credible activist, credibility builder, change champion, HR innovator/integrator, technology proponent and project facilitator by adapting the Ulrich Human Resource Competency Survey (HRCS). The mediating effects and competencies were examined based on 215 HR professionals from 20 consolidated banks located in South-West Nigeria. A quantitative approach employing the Statistical Package for the Social Sciences (SPSS) version 20 software was used for the analysis. The findings revealed that strategic partner role mediates six out of the seven HR competencies investigated, with project facilitator as an exception. There were 24 factors in the seven HR competencies studied. The top ten factors that emerged from the findings are from the domains of technology proponent, strategic positioner, credible activist and project facilitator. The findings also showed that from the seven HR competencies, only technology proponent and strategic positioner have contributed the most to the organizational performance. In the study, competencies have significant correlation with organizational performance. Besides that, the study has shown that top management should encourage HR professionals to demonstrate more of their technology proponent skills and continue to acquire skills to leverage social media tools to improve HR operations.
ABSTRAK

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<td>CA</td>
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<td>CB</td>
<td>Credibility Builder</td>
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<td>CBK</td>
<td>Customer Buying Knowledge</td>
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CHAPTER 1

INTRODUCTION

1.1 Introduction

Human resource (HR) departments have been under severe pressure to start operating as a business within a business rather than as a detached and sequestered set of HR practices. Therefore, like any other business, HR departments are expected to be visionary or have a strategy that explains their direction, a set of goals with clear objectives, outcomes, or deliverables concentrating on the primacies for the work and the critical investments required for executing this vision, as well as an organizational structure that allows HR to realize these goals (Ulrich, Brockbank, Johnson, Sandholtz & Younger, 2008; Zareei, Zamani & Tanaomi, 2014).

Researchers (Beer, 1997; Ulrich, 1997; Buyens & Verbrigghe, 2015) have argued the need for HR departments to shift their concentration away from their traditional administrative responsibility to a strategically focused role. However, Wright (2008) argues that while various researchers clamour for HR departments to play strategic roles, its workability is not certain. Astonishingly, only a limited number of investigations have been carried out on the process of organizing and structuring of HR departments in harmonizing their strategic and technical functions which enable them actualize the demand for local awareness and global regularization (Stiles & Trevor, 2006).
The fact that the expectation on human resources has been increased is not in doubt, following the increasing clamour for its strategic partner role at the management table. Ulrich et al., (2008) notes that HR started off as a profession concentrating on the welfare of employees at work, ensuring that they feel treated fairly. They further state that currently, the global economy is facing enormous change, and it is expected that HR professionals engage themselves in activities that are more than just managing employee welfare. In view of this high expectation on HR, many researchers are howling that HR professionals lack the capacity to meet these high expectations, as such, are calling for the discounting or downsizing of its functions, while others say it should be automated or outsourced. Nonetheless, most researchers believe that instead of maligning HR, it should be improved so that HR professionals and their departments can confront the issues threatening modern organizations (Ulrich et al., 2008).

Wright (2008), suggests that literature in the area of strategic human resource management (SHRM) has intensified the given fact that the operations of HR practices has the predisposition of increasing organizational performance as well as being a process of gaining competitive advantage. Consequently, in their submission, Ulrich, (1998) emphasizes that there has been a prevalent acceptance of HR professionals playing strategic roles in enhancing business success. However, Bakshi et al., (2014) in their study identifies a set of ideas linking HR policy and organizational performance, precisely introducing the concept of organizational performance, which took into consideration the different approaches in the understanding of HR, as “best practice” and “best fit”, as well as principally analyzing both views. They further argue that though it is difficult to measure, that the different HR practices as well as the culture of an organization has an important impact on motivation, satisfaction and the involvement of employees, which ensures a positive effect on performance.

Consequently, Ramlall (2006) in his study postulates that the competition in today’s global economic market has added further challenges for the HR function by creating bewildering conditions whereby it creates and sustains a competitive
advantage. Brockbank and Ulrich (2003) in their study argue that for HR to function adequately and effectively in playing a more strategic role that will make it a profession, HR ought to master new competencies (Strategic Positioner, Credible Activist, Credibility Builder, Change Champion, HR Innovator/Interator, and Technology Proponent), which are necessary. They explained that the understanding of these new HR competencies emanates from understanding the concepts, the language, the logic, the resources, and the practices of the human resource profession. They further emphasized that the mastery of these competencies is contingent upon the application of the knowledge acquired of certain business vistas, which is what this research is set to identify.

Other subjects discussed in this chapter include the background of the study, which emphasizes an overview of the strategic partner role of HR as drawn from the extant literature and the competencies that are associated with organizational performance as well as a statement of the problem, objectives of the study, the purpose of the study, the significance of the study, the scope of the study, limitation of the research and the definition of terms used in the research.

1.2 Background of the Study

In the last decade, the concept of human resource (HR) strategic business partnering has gradually begun gaining acceptance as a HR practice for improving business performance, which until now was usually criticized for being deficient in the knowledge of the business (Krishna& Prasad, 2012). Temporarily, the role of the HR strategic business partner has been presaged as the redemption of HR and the path towards making a strategic impact. Krishna and Prasad (2012) emphasize that the role of HR strategic business partner has become boring among organizations that crave for the advantage of enhanced strategic HR function, which normally comprise of the HR working with business leaders to impact strategy and help direct its execution. The major responsibility is to certify that the organization is utilizing.
its human capital effectively and to structure an HR strategy to realize business needs. Consequently, the actual concept of strategic business partnership is to explore what HR stands for and how it is measured (Krishna & Prasad, 2012).

In view of HR’s in-depth understanding of human performance, it is poised to implement strategic leadership as well as make significant impact to an organization’s competitive edge (Al-Taee & Alwaely, 2012). This change in concept regarding the significance of human resources will produce an opportunity for the HR function to foster a more strategic role in the way organizations operate (Lawler & Mohrman, 2003). Conventionally, the human resource function has been perceived to be predominantly administrative, concentrating attention on an individual employee level, the specific job, and the specific practice (Becker, Huselid, and Ulrich, 2001), with the essential proposition that developments in specific employee performance will inevitably improve organizational performance. However, in the mid 1990s, the importance of strategy and the significance of human resource organizations started its advent. Researchers and practitioners at this point started acknowledging the effect of supporting human resource practices with organizational approach. Presently, human resources has transpired as a planned model through which specific human resource functions, such as selection, recruitment, training, performance appraisal and compensation, are affiliated, as well as with the complete blueprint of the organization (Ulrich et al., 2010).

Corroborating Krishna and Prasad’s (2012) study, Abdullah and Sentosa (2012) argue that several researchers (Boudreau & Ramstead, 2007; Compton, 2009; Flamholtz, 2005; Phillips, 2005; Nankervis, Compton & McCarthy, 1999; Ulrich & Brockbank, 2005) have reported on HR’s evolving role, as well as the shift emanating from their traditionally administrative task to transformational role. The researchers also equated HR’s transactional role with an emerging requirement for the transformational task of HR. Abdullah and Sentosa (2012) further argue that conventionally, the role of human resources incorporated a considerable amount of transactional function that has been outsourced or replaced for information
technology programmes that are innovative within most organizations, while others have been restructured within the human resource organization.

Younger, Younger and Thompson (2011) in their study thus argues that within the past five years, there has been significant changes in the strategic role of HR managers in their organizations. They stress that HR senior managers are still confronted with the best approach to restructure, enlarge the role of human resource task as well as the procedure of staff management practices that will increase their usefulness. Consequently, Ulrich, Brockbank, Younger, and Nyam (2009) emphasized the fact that business challenges were becoming intricate; thereby making the need for HRM impactful change imperative. They reiterated that this change involved the restructuring of human resource departments and the strategy of human resource practices with regards to business necessities.

Allan, (2002) in his study stresses that there have been many deliberations regarding the need for human resources to adopt a more strategic position as it concerns human resource management. Pinola (2002), contributes a valuable list containing the responsibilities that existing organization chief executives expect from the HR department. One of such critical responsibilities that have been emphasized is that; controls like reorganizing, strategic planning and system implementation needs to be incorporated into the role of HR in this era of rapid transformation. Therefore, the need for human resource professionals to become intricate in human resource strategic management (HRM), contributing to organizations competitive advantage, becoming true strategic partners that add value as well as shifting from the transactional functions to transformational role has been the critical issues of debate with the view of making HR truly strategic as there have been serious deliberations regarding the contributions of HR to organizational performance lately (Ulrich et al., 2008).

Lawler and Mohrman (2003) in their study argue that HR has transpired into a significant field for evaluating an organization's competitive asset. The researchers noted that as a result of the quality of knowledge HR have acquired on human
performance, that HR professionals are now properly situated to implement strategic leadership as well as provide portentously to an organization’s competitive edge. On the concept regarding the importance of human resources, the researchers further stated that it would generate prospects that will foster greater strategic roles for the organization's operation.

Teo (2002) contends that the model of strategic human resource management (SHRM) has transformed into a link that fuses business strategy with the management of human resources. But Fey, Bjorkman, and Pavlovskaya (2000) in their study argue that the last decades have witnessed the HRM field transferred from a specific focus on individual human resource management (HRM) practices to a discourse about how human resource management should be perceived as an all-inclusive management perspective that is capable of adding to the competitive advantage of the organization. Consequently, Boselie and Paauwe (2004) argue that due to the significant relationship existing between human resource management and organizational performance, several researchers now have an enhanced awareness regarding the types of roles and competencies that HR is expected to possess for it to contribute to the organizations it serve.

Brockbank, Sioli, and Ulrich (2002) in their study argue that the global socioeconomic developments as pertaining to the growing speed observed in the service sector of the economy, globalization, focus on customer loyalty, changes in workforce demographics and emphasis on effective financial performance, has given rise to the challenges of the human resource activities and their role of adding value to organizations.

Mondy and Noe (2005) consequently reiterates that numerous HR organizations have succeeded in facilitating adequate policies and procedures as well as advising managements on what was possible. Regrettably, HR is usually seen as a way of development, and therefore is reticent of strategic business decisions and is expected to react simply to routine crises. Mondy and Noe (2005) also argue that by seeing HR as an impediment, some organizations have discarded the function
altogether, reassigning the traditional administrative functions to line managers. In recent times, people have argued that HR has apparently been obscure and that the commitment to corporate governance as well as executive reward is sadly deserted. Conceivably, HR has been too weak administratively to chart the course of their organization’s change. They further argue that there are several hurdles that HR needs to transcend for it to become truly strategic partners. Gomez-Mejia, Balkin, and Cardy (2001) in their study suggests that human resources ought to be active in guiding organizations in selecting its people effectively, investing in them adequate responsibilities, supporting their advancement as well as respecting their requirements for achieving the organization's strategic business goals. They added that this critical role requires competencies on the part of HR leaders that will create and sustain a flexible and adaptive workforce.

Ulrich (1997) in his study underscores the implication of advancing the development of the strategic roles played by human resource professionals, particularly in their role as leaders in an organization. HR creates value by increasing the performance and dexterity of the talent and culture of the organization. Delivering this value describes the required skills and competencies expected of an effective professional. Through five waves of the global surveys of HR competencies, Ulrich and associates have since 1987 related the requirements for HR professional’s effectiveness. The RBL Group in 2012, in conjunction with the University of Michigan’s Ross School of Business, and a team of HR professional’s who partnered with them, completed the sixth wave of the comprehensive HR competency survey, or HRCS (Ulrich, Brockbank, Younger, & Ulrich, 2012). However, Brockbank and Ulrich (2003) in their study opine that four major factors of competencies exist that are linked to how well HR adds value strategically to an organization, in the capacities that relate to making decisions strategically, culture management, fast change and market focused connectivity.

While several researchers such as (Bhatngar & Sharma, 2005; Aitchison, 2007; Fegley, 2006) had stressed the significance of the HR roles and HR competencies by researchers like (Selmer & Chiu, 2004; Khatri & Budhwar, 2001;
Ramlall, 2006), yet recent researches have not empirically shown much significant relationship between the variables. However, just the research conducted in South Africa by Pietersen and Engelbrecht (2005) has shown the existence of a positive relationship between the businesses linking competencies and the strategic partner role of HR. These two variables seem to lucidly interrelated, since the two variables are significant features facilitating HR’s ability to add value to the success of their organizations.

Nevertheless, from the background research outlined above, it is necessary to concretize the conceptual framework by developing a suitable HR model for the strategic partner role and relevant competencies that will ultimately lead to the performance improvement of organizations. The need to address possible mediation effects of the strategic partner role in the relationship existing between human resource competencies and organizational performance is critical.

1.3 Statement of the Problem

In order for HR to effectively add value to their organizations as strategic business partners, HR is expected to acquire and demonstrate the knowledge of requisite critical competencies, unfortunately, this is not the case as HR is yet not invited to the management table because of their perceived lack of critical competencies that will enable them add value and help organizations to gain competitive advantage (Ulrich et al., 2012).

Management’s expectation of HR is high, as such, for HR to become strategic partners, they must demonstrate mastery of relevant competencies such as strategic positioner, credible activist, credibility builder, change champion, HR innovator/integrator, technology proponent and project facilitator. An acquisition of these competencies will set HR at the management table, where they can begin to
influence management decisions, make meaningful changes to the organization that are strategic and value adding (Ulrich et al., 2012).

The Nigerian bank sector is not an exception, as competency issues are debatable. However, the most significant development of the 20th century in the Nigerian banking sector, was the minimum capital standards imposition by the financial regulatory agency. Most bank regulators perceived capital sufficiency regulations as an avenue of strengthening the security and reliability of the banking sector (Opeyemi, 2008). The Nigerian apex bank – The Central Bank of Nigeria (CBN)’s preparedness to position the banking structure in a regional and international perspective as well as foster healthy, stable and enhanced efficiency in the system necessitated the improved modicum capital base for all commercial banks to N25 billion with effect from December 31, 2005. As a result of the regulations, the need to reform the banking sector via mergers and acquisitions became necessary (Fapohunda, 2012).

The consolidation process was aimed at creating a banking system that will be smaller, stronger, more efficient and competitive. The banking sector reforms in Nigeria stemmed from global intervention to restoring the global economy (Adegoroye & Oladeji, 2012). Review of previous literature revealed that the policy reforms in the Nigerian banking sector received priority attention in order to help develop other sectors that are capable of propelling the entire economy (Adegoroye & Oladeji, 2012).

The policy reform was not without initial challenges in the banking sector and the Nigerian economy respectively. A critical issue in this regard was the role of HRM in the consolidated banking system (Adegoroye & Oladeji, 2012). In line with the banking sector reforms and as part of efforts to promote, standardize and sustain skills and competency improvement in the Nigerian banking sector, the Central Bank of Nigeria (CBN), in collaboration with the Bankers’ Committee, developed a competency framework (Central Bank of Nigeria, 2013). According to the Central Bank of Nigeria (2013), the development of the competency framework for the
Nigerian banking industry was based on the observed requirements for commercial banks operating in Nigeria to give precedence to the continuous development of human capital. The report added that the need to have adequately trained HR professionals with relevant competence is a requisite factor for the enhanced performance of the banking sector. The report emphasized the need to establish a team of talented and highly skilled professionals that will strengthen the intellectual resources and aptitudes of the banking sector. Abosede, Arogundade, Adebisi, and Akeke (2011) however, argues that in the process of actualizing the goals of bank consolidation, certain risk factors emerged during and after the consolidation exercise with implications impinging on industrial relations in the sector. Alao (2010) however, argues that these human-risk issues comprised the retraining and the welfare of employees during mergers and acquisition, handling issues of employee defiance to change under the new situation, loss of job commitment, severance, and employee turnover with an attendant loss of critical talents, handling human capital as cost, disparity in pay setting and post merger spasms.

Human resource professionals are the strategic strength that an organization requires to actualize its overall objectives. Until the year 2011, the banking industry in Nigeria was still experiencing a shortage in the supply of skilled and competent personnel. The pace of consolidation expansion, an insufficient focus on professional banking qualification, difficulty in the attraction and retention of the right people, severe shortage and the intense competition for skilled personnel gave rise to the human capital challenges in the banking sector. Secondly, inadequate training interventions; high labour turnover; and emphasis on marketing skills at the expense of managerial and leadership skills were major issues (Fapohunda, 2013). Organizations that desire to maintain the growth envisaged in the future must adjust their practices to successfully attract and retain a new generation of human resource professionals and create inclusive organizations where all employees feel valued (Nwude, 2012).

However, after the review of previous literature on this subject, it was observed that research addressing jointly the conceptual relationship between human
resource competencies and strategic partner role has been overlooked in literature, hence it has triggered this study. Therefore, to cover this gap in the literature, this current study investigates the variable of the strategic partner role as a mediator in the relationship between HR competencies and organizational performance. Moreso, to strengthen the requisite HR competencies that will ensure HR professionals add value to their organizations adequately, it is also observed from literature that skills in project facilitation are necessary for HR professionals, as such this study modifies the Ulrich et al (2012) HRCS model by introducing an additional competency called the project facilitator.

Conversely, Ulrich, et al., (2009) stresses that if HR professionals do not acquire the requisite skills and are unable to think on a macro-business level, as well as support and facilitate projects effectively to enable organizations gain competitive edge, the HR function will yet be consigned to a supportive or secondary role. However, if the priorities of HR managers can be re-evaluated, and they are able to develop new sets of professional and personal competencies also in the area of project facilitation, which is capable of ushering HR to the strategic level, then it will be easy for the HR function to glide through the wave of business development conceitedly with other functions in the organization. Ulrich et al (2012) in their current human resource competency survey (HRCS) identifies six vital competency spheres that every HR professional must validate in order to influence business performance:

- Strategic Positioner
- Credible Activist
- Capability Builder
- Change Champion
- HR Innovator/Integrator
- Technology Proponent

However, due to the need for HR to facilitate organizational projects, raise efficient project teams that will execute various HR functions with expertise, the
need for HR to acquire and demonstrate projector facilitator competency has become crucial (Scotts, 2008). This study, therefore adds the project facilitator competency to the above list to make certain that HR professionals play their strategic partner role adequately to ensure organizational performance. This competency has indeed become imperative for HR and the consolidated banking sector in Nigeria owing to the fact that new projects are being developed continuously because of the dynamical competition in the sector (Mugarvin, 2012). In order to execute these projects adequately, on time and within budget, HR professionals need to know and acquire the techniques of project facilitation, which will help develop the skills of project facilitators and project team members in the consolidated banking sector (Edmonds, 2010). The competency of project facilitator will enable HR professional to schedule, cost, quality control, ensure customer satisfaction, planning, control and risk management (Clark and Cooling, 2005). Consequently, these competencies will ensure enhanced productivity in the massive recruitment, training, benefit, compensation and payroll processes in the consolidated banking sector in Nigeria (Scotts, 2008).

In their view, Ulrich et al (2008) opines that in spite of the perceived growth in business partnering competency models and their pervasive advocacy, as well as HR contribution to organizational success, yet, HR is not at the strategic level. This research is set to identify how and what HR ought to do to be strategically positioned and effective in order to impact business performance. Ulrich et al., (2008) further argues that there have been limited empirical surveys on the effectiveness of these models aimed at making HR professionals more strategic and business-inclined. Caldwell (2010) emphasizes that the development of business partnering skills is a precursor to strategic HR roles and the effective business partnering performance.

This study will ascertain the various competencies that are perceived to be deficient among the HR professionals in the consolidated banking sector in Nigeria, that has denied them their place at the management table. It will help advance knowledge, contribute to HR practice as well as inform practice. The study will benefit other researchers, practitioners, policy makers and stakeholders.
1.4 Purpose of the Study

The need to understand the strategic partner role of HR professionals in the consolidated banking sector and the level of competencies they possess in the Nigerian context has triggered this research. In view of this, these two above-mentioned variables will be tested to establish whether they are connected to organizational performance. Consequently, the research will investigate the suggestion that human resource management is best examined through the Ulrich, HR role model designed by Ulrich (2005). According to the model, it is expected of human resource professionals to play strategic roles in the organization aside their routine administrative roles that enable them to become effective HR leaders. Thus, certain critical competencies are required of HR professionals if they must exercise the strategic partner role in their organizations. The Human Resource Competency Study (HRCS) tool as designed by Ulrich et al., (2012) will be adopted to measure the competencies among HR professionals in the consolidated banking sector in Nigeria in this study.

Lawler and Mohrman (2003) in their study confirms that HR departments can only play significant roles in inspiring business strategies when the HR professionals themselves become full strategic partners. They emphasized that HR managers with adequate knowledge of the business most likely will improve the systems and process of human resources that is capable of supporting the implementation of the strategy chosen.

Therefore, it is believed that this current research has the capability of bringing to the fore the comprehensive details of the strategic partner role and the requisite HR professional competencies that will influence business performance in the consolidated banking sector in Nigeria by utilizing these models. This investigation has the capability of determining whether HR competencies and strategic partner roles have a direct impact on organizational performance. Consequently, it will
determine whether, the strategic partner role also mediates the relationship between human resource competencies and organizational performance.

1.5 Objectives of the Study

In order to critically address the research problem as identified, the following research objectives have been formulated:

1. To identify the level of human resource competencies among HR professionals in the consolidated banking sector in Nigeria.
2. To measure the relationship between human resource competencies and organizational performance.
3. To examine the relationship between human resource competencies and strategic partner role.
4. To examine the relationship between the strategic partner role and organizational performance in the consolidated banking sector in Nigeria.
5. To identify which human resource competencies contribute most to organizational performance in the consolidated banking sector in Nigeria.
6. To ascertain whether the strategic partner role mediates the relationship between the HR competencies and organizational performance in the consolidated banking sector in Nigeria.

1.6 Research Questions

In concert with the research objectives stated above, the following research questions have been developed:
RQ.1 What level of human resource competencies do the HR professionals possess in the consolidated banking sector in Nigeria?

RQ.2 What is the relationship between human resource competencies and organizational performance in the consolidated banking sector in Nigeria?

RQ.3 What is the relationship between human resource competencies and strategic partner role in the consolidated banking sector in Nigeria?

RQ.4 Is there any significant relationship between the strategic partner role and organizational performance in the consolidated banking sector in Nigeria?

RQ.5 Which HR competencies contribute most to organizational performance in the consolidated banking sector in Nigeria?

RQ.6 Does the strategic partner role mediate the relationship between HR competencies and organizational performance in the consolidated banking sector in Nigeria?

1.7 Research Hypothesis

H1 HR competencies comprising strategic positioner, credible activist, capability builder, change champion, HR innovator and integrator, technology proponent and project facilitator are significantly related to organizational performance.

H2 HR competencies are significantly related to the strategic partner role.
1.8 **Significance of the Study**

In a bid to confronting the challenges of the twenty first century, organization strategies need to become more participatory, integrated and flexible. The need for human resources globally to play strategic partner roles in their organizations has also become imperative, since the fundamental strategic challenge for managers is how to achieve and sustain competitive advantage leading to excellent performance. HR professionals need to equip themselves with the relevant knowledge and competencies that will enable them to meet these challenges. This study has been devised to ascertain the various competencies that are deficient among the HR professionals in the consolidated banking sector in Nigeria, as literature review observed that HR professionals are not invited to the management table yet due to perceived lack in certain requisite competencies. The findings that will emanate from this research will not only be important to the organizations with regards to the evaluations they must make concerning the roles of their HR professionals, but it will precisely benefit HR experts as they climb the corporate hierarchy.

In view of this, the need to examine the human resource competency study (HRCS) carried out by Ulrich et al., (2012) has become imperative in order to ensure adequate understanding of the requisite competencies that will ensure the strategic partner role of HR professionals in the consolidated banking sector in Nigeria.
The above figure explains the chronicle of the human resource competency survey (HRCS) as conducted every five (5) years by Ulrich and associates globally since 1988 up to the recent survey of 2012. The survey has made a meaningful contribution to the study of HR competencies, yet from literature, it has been observed that there is a competency domain that is also required by HR professionals if they must adequately impact on their organizations strategically.

This study is therefore significant because in the process of reviewing previous literature, it was observed that the pressure on HR professionals to become strategic partners was not out of place, as seen in their absence at the management table due to perceived lack of requisite competencies that will enable HR professionals to contribute strategically to organizational performance. As such, this study intends to highlight the relevant competencies required of HR professionals to become strategic partners as developed by the Ulrich et al (2012) model, where certain gaps have also been identified, upon which this study modifies and make further contribution to the body of knowledge.

Consequently, after the review of extant literature on this subject, it was observed that studies addressing jointly the relationship existing between HR competencies and the strategic partner role are limited. Therefore, to close this gap in the literature, this current study investigates the variety of the strategic partner role as mediator in the relationship existing between HR competencies and organizational performance. However, to strengthen these requisite HR competencies which will ensure that HR professionals add value to their organizations adequately, it was also observed from literature that skills in project facilitation were a necessary competency for HR professionals, as such this study modifies the Ulrich et al (2012) HRCS model by including the project facilitator as an additional competency.
1.9 Scope and Limitation of the Study

1.9.1 Scope

This research is limited to the consolidated banking sector in Nigeria, with specific focus on HR competencies, strategic partner role and organizational performance. For better understanding, various strategic roles of HR based on the Ulrich (2005) model are examined in this research such as the roles of:

a. Strategic Partner
b. Functional Expert
c. Employee Advocate/Human Capital Developer
d. Strategic Partner
e. Leader

The HR competencies to be identified will be categorized into seven domains as listed below:

a. Strategic Positioner
b. Credible Activist
c. Capability Builder
d. Change Champion
e. HR Innovator/Integrator
f. Technology Proponent
g. Project Facilitator

The scope of this research is also based on the proposed respondents, who are HR professionals working in the consolidated banking sector in Nigeria.
1.9.2 Limitations

There will definitely be several limitations related to a research of this magnitude, stemming from the fact that the parameters fixed for this research will concentrate essentially on the consolidated banking sector in Nigeria. However, this decision is centered on various factors, which include the following:

1. All the consolidated banks in Nigeria have HR departments.
2. The researcher will be able to collect enough data from the proposed respondents going by the fact that the consolidated banking sector in Nigeria is more streamlined, organized and stable, which is a product of the bank reforms that brought about the consolidation, coupled with the recent competency framework for the banking sector introduced by the apex regulatory body – The Central Bank of Nigeria in 2012. Though limited in scope, these guidelines have distinct advantages with respect to its simplicity and one published study to date has verified their validity (Conner & Ulrich, 1996).

As a measure of keeping the collected data for this study within manageable proportion, the proposed sample size of the consolidated banking sector in Nigeria shall be obtained only from the consolidated banks in south west region of Nigeria.

1.10 Definition of Terms

The words of everyday language are rich in multiple meanings as opined by Creswell (2003), therefore, for the purpose of this research, the following terminologies will be defined to clearly elucidate the functions of the key variables, provide clarity for the reader in the research, communicate ideas accurately, as well as provide precise meanings as used in the research.
1.10.1 Human Resource (HR) Competencies

This term refers to one or more than the seven categories of competencies identified within the human resource competency framework. In this research, six domains of HR competencies that are measured as strategic positioner, credible activist, capability builder, change champion, human resource innovator/integrator, technology proponent, are competencies that have been compiled by Ulrich et al., (2012) from their global Human Resource Competency Study (HRCS). One additional domain, which is the competency of project facilitator, is added as a contribution to this research.

1.10.2 Strategic Positioner

The strategic positioner refers to the HR professionals with extraordinary performance, whose thinking and actions are from the outside in. They possess adequate knowledge about the business and interpret external business drifts into internal evaluations and programs. They have in-depth knowledge of the universal business conditions that might affect the industry and geography (Ulrich et al., 2012).

1.10.3 Credible Activist

The credible activist refers to the trait or skill that streams from the other five competencies and one that the HR professional ought to master if he or she must excel in the field. The credible activist captures the most critical competencies for the HR professional and possesses an unyielding sense of personal and organizational accountability. The credible activist possesses and demonstrates business acumen,
which entails knowing the business of the organization, and having a clear perspective regarding how to best communicate and support business initiatives.

1.10.4 Capability Builder

The capability builder is an effective HR professional at the organizational level that is able to merge distinct abilities of creating, auditing, and orchestrating an efficient and durable organization by assisting to describe and establish fundamental organization proficiencies. HR professionals have the capacity to assist line managers in generating meaning that will enhance a deeper value in the employees that will reflect the capability of the organization.

1.10.5 Change Champion

An efficient HR professional necessitates an organization’s intramural aptitude for modification equal the peripheral speed of transformation. Being change champions, HR professionals orchestrate the need for change at all levels.

1.10.6 HR Innovator/Integrator

An effective HR professional has the ability to originate and incorporate HR practices into cohesive results that elucidates business issues. HR professionals understand in details current key HR practices related to human capital, performance accountability, organization design, and communication.
1.10.7 Technology Proponent

They use technology as a relationship-building tool through social media, which is an emerging trend that is used to clout the social media because it help organizations to position themselves in anticipation of business growth. They have in-depth understanding of current technologies that help organizational identity outside the organization (Ulrich et al., 2012).

1.10.8 Project Facilitator

Project facilitators are logical, avid and goal-driven, as well as having an in-depth understanding of the projects they handle. In their strategic responsibility, they understand how organizations excel, acquire and transform. Project facilitators are change champions, they deal with their project objectives as their own, utilizing their skills and knowledge to provoke a sense of collective purpose within a project team.

1.10.9 Strategic Partner Role

According to Ulrich (1997), the factor that presents HR role as a strategic partner is derived from its ability to participate in the processes of describing business strategy effectively, not by just responding to the orders from top management. For HR professionals to become strategic partners, they must begin to query and design human resource practices that will effectively align with procedures for enhanced business strategy (Ulrich & Eichinger, 1998; Ulrich, 1997).
1.10.10 Functional Expert

The functional expert, as renamed by Ulrich and Brockbank (2005), in their reviewed model of 2005, is built with the purpose of ensuring that the traditional role of HR, of staffing and training are executed efficiently. The HR function is expected to add value in all its services and that it should unequivocally validate its significance to the organization.

1.10.11 Employee Advocate

Ulrich and Brockbank (2005) in this study, tried to shift the operational emphasis from procedures to the employees, hence this third role, which is renamed “Employee Advocate”, emphasizes the requirements of employees with an effort to increase commitment and capabilities. The employee advocate role is concerned with the welfare of employees and the psychological contract existing between organizations and their employees.

1.10.12 Strategic Partner (Renamed)

The fourth HR role that was called the change agent in the 1997 model is centered on a strategic emphasis on people and aims at managing the transformation and change encountered by the organization. However, Ulrich and Brockbank (2005) noted that the role of change agent now renamed strategic partner in this reviewed model, directs concentration to the necessity of ensuring that an organization possesses the ability to deal with change by supporting employees in their attempts to accept and implement change.
1.10.13 Leader

The totality of the HR roles discussed above equals leadership, on the other hand being an HR leader also has implications for leading the HR function, collaborating with other functions, ensuring corporate governance, and monitoring the HR community.

1.10.14 Organizational Performance

For the purpose of this research, the term organizational performance is used as an analysis, as compared to goals and objectives, which encompasses the frequent undertakings to create organizational goals, observe progress regarding the goals, as well as make the changes in realizing the set objectives more effectively and efficiently.

Richard, Devinney, Yip, and Johnson (2009) validates the above definition, by stating that organizational performance consists of the concrete results of an organization as evaluated against its intended productivities and objectives.

1.10.15 HR Professionals

HR Professionals are individuals who possess the theoretical knowledge and practical experience in human resource management, they have the ability to demonstrate mastery of the body of knowledge in the field. Precisely, they are certified HR executives who work in the consolidated banking sector in Nigeria.
1.11 Summary

The number of studies carried out on the role and competencies of human resource professionals in Nigeria is inadequate (Gbolahan, 2012). Consequently, there is presently a dearth of research in the area of discourse that will enable researchers establish whether the HR professionals presently engaged in the consolidated banking sector in Nigeria demonstrates strategic roles that add value to their organizations (Fajana, 2009). This current study aims to further enlighten HR professionals on how their competencies will enable them to make a strategic impact on their organizations.

The essentials required of HR professionals to adequately function as strategic partners impacting business performance in their organizations are highlighted in this chapter. The subsequent chapter will review extant literatures in human resource management, providing detailed information on the area of research. The chapter will further provide the research framework drawing inference from existing literature related to the study. Aside investigating the strategic partner role, the competencies that HR professional requires to become true strategic partners will also be examined, and finally chapter three will explain the research methodology employed in this research.
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