The Competency Requirements for HR Practitioners in Domestic Firms and Multinational Enterprises

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Research Aim

- To investigate HR competencies required for HR practitioners for their success in domestic firms and multinational enterprises (MNEs)
- Adopts a situationalist competency perspective which focuses on the contextual nature of HR competencies by differentiating between generic HR competencies (i.e., universally applicable to HR practitioners) and context-specific HR competencies (i.e., relevant to a narrower range of settings)
Situationalist Perspective

- Challenges the universalist perspective that focuses on identifying generic HR competencies (Ulrich et al., 2013; Long & Wan Ismail, 2009; Dainty, 2011)

- Argues that there are context-specific HR competencies as well as generic ones (Caldwell, 2008; 2010; Graham & Tarbell, 2006; Roehling et al., 2005)

- The HR literature suggests that MNEs are likely to promote a more strategic HR role (Björkman, Ehrnrooth, Smale & John, 2011; Sheehan & Scalfidi, 2005; Sumelius, Bjorkman, & Smale, 2008) and standardisation of HRM practices (Belizon, Gunnigle, & Morley, 2013; Farndale & Paauwe, 2005; Stiles & Trevor, 2006) than domestic firms
Methodology

Research Question:
What are the **generic** and **context-specific** HR competencies for domestic firms and MNEs?

Mixed Method Research Design

Phase 1: Content Analysis HR Job Descriptions

Phase 2: Concept Mapping Focus Groups

Phase 3: Concept Mapping Online Survey
Concept Mapping Process

**Step 1: Brainstorming Focus Groups**
3 focus groups of 8 focus group HR participants + 2 HR experts brainstormed a list of 44 HR competencies

**Step 2: Concept Mapping Online Survey**
63 New Zealand HR practitioners sorted and rated the HR competencies

**Step 3: Concept Mapping Analysis**
Concept System software was used to produce concept maps

**Step 4: Interpretation of Concept Maps**
Researcher reviewed groupings and names of the clusters
Domestic Firms vs Overseas-based MNEs

- Leadership & Relationship Building
- Self-Belief & Social Factors
- Input & Support
- Business Awareness
- Strategic Focus & Drive
- HR Acumen
- Systems & Technology

For Domestic Firms in NZ (n=17):
- Leadership & Relationship Building: 6.38
- Self-Belief & Social Factors: 6.38
- Input & Support: 4.32
- Business Awareness: 4.32
- Strategic Focus & Drive: 4.32
- HR Acumen: 4.32
- Systems & Technology: 4.32

For Overseas-based MNEs (n=13):
- Leadership & Relationship Building: 6.38
- Strategic Focus & Drive: 6.38
- Self-Belief & Social Factors: 6.38
- Input & Support: 4.32
- Business Awareness: 4.32
- Systems & Technology: 4.32
- HR Acumen: 4.32

Correlation Coefficient: r = 0.62
Domestically based vs Overseas-based MNEs

Domestically based MNEs (n=5)
- Leadership & Relationship Building
- HR Acumen
- Strategic Focus & Drive
- Self-Belief & Social Factors
- Input & Support
- Business Awareness
- Systems & Technology

Overseas-based MNEs (n=13)
- Leadership & Relationship Building
- Strategic Focus & Drive
- Self-Belief & Social Factors
- Input & Support
- Business Awareness
- Systems & Technology
- HR Acumen

r = 0.17
Domestic Firms vs Domestically based MNEs

Domestic Firms in NZ (n=17)
- Leadership & Relationship Building
- Self-Belief & Social Factors
- Input & Support
- Business Awareness
- Strategic Focus & Drive

Domestically-based MNEs (n=5)
- Leadership & Relationship Building
- HR Acumen
- Strategic Focus & Drive
- Self-Belief & Social Factors
- Input & Support
- Business Awareness
- Systems & Technology

$r = 0.64$
Theoretical Contributions

- Provides support for the situationalist approach
- Generic HR competencies: Leadership & Relationship Building and Self-Belief & Social Factors
- Context-specific HR competencies: HR Acumen
- Functional HR competencies can be as important as the strategic HR competencies required for adding value in certain contexts (Antila, 2006; Brown et al., 2009; Truss et al., 2002)
Practical Implications

- HR Acumen competencies are highly context-specific
- Domestic firms and domestically-based MNEs are still highly dependent on HR generalist knowledge
- System and Technology are not important differentiators but MNEs make stronger use of knowledge in HR technology than domestic firms
- Importance of Leadership and Relationship Building and Self-Belief and Social Factors in the selection and development of HR practitioners
Research Limitations

- Validate the research with a larger sample
- More international comparative studies of a more qualitative nature to get a more nuanced view of HR competency requirements.
- Include the opinions of other stakeholders (e.g., line managers, employees and trade unions)
THANK YOU

Future research should move away from the one-size-fits-all universalist approach and adopt a situationalist approach to enable more nuanced understandings on what shapes HR competency expectations.

It's QUESTION TIME!!