

Copyright is owned by the Author of the thesis. Permission is given for a copy to be downloaded by an individual for the purpose of research and private study only. The thesis may not be reproduced elsewhere without the permission of the Author.

**PRACTICING STRATEGY: MAKING
SENSE OF THE ACTIVITIES AND
APPROACHES OF THE HR FUNCTION
IN A SRI LANKAN COMMERCIAL
BANK.**

A thesis presented in partial fulfilment of the
requirements for the degree of

Doctor of Philosophy

in

Management

at Massey University, Albany New Zealand

Jason Cordier

2018

ABSTRACT

Human resource practitioners have increasingly gravitated towards a greater strategic positioning of their activities. However, progress towards human resource (HR) practitioner strategic integration has remained elusive.

Arguably, HR practitioners need to enact a greater strategic role within organisations, and as such, play a greater role in organisational practices and performance. This thesis reports on a case study undertaken in a Sri Lankan bank, where 65 interviews were conducted with 55 people across 6 hierarchical levels.

The research focused on understanding how the HR function, in conjunction with its organisational partners, attempts to act strategically. Specifically, the research questions were: (1) how strategic are HR practitioners in the development and implementation of practices across different business units; (2) how does strategic integration occur between HR practitioners and business units; and (3) what factors affect strategic integration between HR practitioners and business units?

A review of the literature on organisational strategy and strategic human resource management indicates that while both fields have unique research gaps within their respective bodies of work, when refocused through a Strategy-as-Practice lens, additional gaps emerge at the cross-section of both streams of scholarship. Addressing these gaps would advance HRM and strategic management scholarship's understanding of strategy activity in the HRM context.

Findings show that there are a complex range of interconnections between external and internal contextual factors determining the extent to which HR practitioners can make a strategic contribution. Business units' contextual elements were also found to vary significantly as did the integrative frameworks of practices and activities they sought from HR practitioners. Two main factors inhibited HR practitioners from delivering on these expectations: HR practitioner identity structures, and contextual constraints including lack

of clarity in relation to the broader strategic intent. Furthermore, HR practitioners drew on patterns of previous activity when faced with ambiguity. This often involved them making more sense of ‘what being more strategic means’. This study identified contributions in relation to HR practitioners’ willingness and ability to assert agency around strategic change by interpreting cues from line managers, and thus removing them from the broader strategic expectations of the organisation.

ACKNOWLEDGEMENTS

Franz Kafka remarked that “writing is utter solitude, the descent into the cold abyss of oneself”. Had it not been for the support of family, friends and colleagues, I think I would have been lost in my own introspection - with no completed thesis ever eventuating. I am therefore eternally grateful to the small army of supporters who over the years kept me motivated and intellectually stimulated while not letting me forget the importance of retaining a sense of humour.

First and foremost, my sincere love and thanks goes my beautiful, kind and incredibly patient wife. It was her playfulness that kept me going. She supported me emotionally and practically in every way possible, picking up the slack around the house or listening to me explain elements of my PhD over and over just so I could verbalize my thoughts. Second, I would like to thank my mother who endured countless hardships as a single mother to ensure I had a first-rate education. I love you dearly and appreciate everything you have done for me.

Third, without my PhD colleagues and close friends Fatima Junaid and Gary Oldcorn, this process would not have been the exciting ride that it has. We all started this journey around the same time, and you were both there for me week after week as we had our ‘PhD support club’ meetings throughout our studies. You both made this journey an enjoyable one, and I am richer for having shared it with you.

Fourth, I extend my love and thanks to my close friends Mark Constantine, Jake Preston and Josh Fuller. You were there cheering me on, helping with editing and ideas, and being there to go on a long run or a bike ride to clear my head and have a few beers with afterwards. Thank you, gentlemen!

Finally, I give my sincere thanks and gratitude to my supervisors Darryl Forsyth, David Tappin, Bevan Catley, and Tony Garret. Without your guidance, friendship and motivation, I would never have made it past my confirmation. This has certainly been a journey, and keeping me going through the more difficult parts must not have been easy. You, however, made this a highly rewarding and enjoyable experience, and I am lucky to count you all as close friends at the completion of this journey. In the same respect, I am also immensely grateful to the late Professor Ralph Stablein, with whom I began this journey. His sad and unexpected passing did not allow for us to complete this thesis together; however, I am very proud to say I finished what we started. Ralph's guidance, friendship and intellectual insights were the catalyst for me pursuing an academic career, and his memory and guidance will continue to influence me throughout my career.

PUBLICATIONS

Some of the ideas of chapter 2 of this thesis have been published and presented in the following forum:

Refereed conference proceedings

Cordier, J., Catley, B., Tappin, D., & Junaid, F. (2015). *Taking People Seriously: An Activity Approach for Strategic Human Resource Management. 29th Australia and New Zealand Academy of Management Conference, Queenstown, New Zealand, 2-4 December 2015.*

TABLE OF CONTENTS

ABSTRACT.....	i
CHAPTER 1 - INTRODUCTION.....	- 1 -
1.1 Orientation	- 1 -
1.2 Problem statement overview	- 3 -
1.3 Locating the thesis	- 4 -
<i>1.3.1 Strategic integration.....</i>	<i>- 5 -</i>
<i>1.3.2 Strategic ambiguity</i>	<i>- 6 -</i>
<i>1.3.3 Planned and implemented strategy</i>	<i>- 9 -</i>
<i>1.3.4 Within-firm variability.....</i>	<i>- 11 -</i>
<i>1.3.5 Viewing SHRM within a strategy-as-practice lens.....</i>	<i>- 13 -</i>
1.4 Research framework	- 18 -
<i>1.4.1 Actor agency.....</i>	<i>- 21 -</i>
1.5 Research objectives	- 22 -
<i>1.5.1 Research questions</i>	<i>- 22 -</i>
1.6 Research approach.....	- 23 -
1.7 Research contributions	- 25 -
1.8 Overview of the thesis structure	- 25 -
CHAPTER 2 - REVIEW OF PRIOR RESEARCH.....	- 27 -
2.1 Introduction	- 27 -
2.2 Chapter objectives	- 28 -
PART 1 – REVIEW OF THE LITERATURE	- 29 -
2.3 A strategy-as-practice ‘lens’	- 29 -
<i>2.3.1 Introduction to strategy-as-practice (SAP)</i>	<i>- 29 -</i>
<i>2.3.2 The emergence of SAP.....</i>	<i>- 30 -</i>
<i>2.3.3 SAP Frameworks.....</i>	<i>- 34 -</i>

2.3.4	<i>Cross-section of SAP contributions</i>	.....	- 41 -
2.4	The Role of HR practitioners	.....	- 42 -
2.4.1	<i>Introducing HR practitioner roles</i>	.....	- 42 -
2.4.2	<i>A brief history of the changing roles in HRM</i>	.....	- 44 -
2.4.3	<i>HR practitioner legitimacy concerns</i>	.....	- 47 -
2.4.4	<i>How and where are HR practitioners acting strategically?</i>	.....	- 51 -
2.4.5	<i>A broader stakeholder approach to strategic activity</i>	.....	- 57 -
2.4.6	<i>Strategic work with the line</i>	.....	- 65 -
2.4.7	<i>Competencies of HR practitioners</i>	.....	- 67 -
2.4.8	<i>Typologies of HR roles</i>	.....	- 69 -
2.4.9	<i>Hard and soft perspectives of HRM</i>	.....	- 74 -
2.5	Literature on strategic human resource management	.....	- 77 -
2.5.1	<i>Introducing SHRM</i>	.....	- 77 -
2.5.2	<i>The emergence of SHRM</i>	.....	- 78 -
2.5.3	<i>Answering calls for stronger theoretical positions within SHRM.</i>		- 80 -
			-
	PART 2 – ASSESSMENT OF THE LITERATURE	.....	- 83 -
2.6	Assessment of the literature	.....	- 83 -
2.6.1	<i>Introduction</i>	.....	- 83 -
2.6.2	<i>Assessments of the literature by clusters of scholars</i>	.....	- 84 -
2.7	Incorporating diverse research methods	.....	- 88 -
2.7.1	<i>Issues with dominant research methods</i>	.....	- 88 -
2.7.2	<i>Assessment of HRM qualitative scholarship</i>	.....	- 92 -
2.8	Incorporating multiple levels of analysis in HRM	.....	- 98 -
2.8.1	<i>Introducing assessments of multi-level analysis literature</i>	.....	- 98 -
2.8.2	<i>Planning and implementation</i>	.....	- 100 -
2.9	Attending to within-firm stakeholder variability	.....	- 103 -

2.9.1	<i>Introducing assessments of within-firm stakeholder variability-</i>	103 -
2.9.2	<i>Intra-unit variability.....</i>	105 -
2.9.3	<i>Variations of employee groups</i>	116 -
2.10	Assessments of actor agency in HRM	120 -
2.10.1	<i>The Role of agency in implementation</i>	120 -
2.11	Research questions.....	121 -
CHAPTER 3	METHODOLOGY	124 -
3.1	Introducing the methodology.....	124 -
3.2	Research design	124 -
3.2.1	<i>SAP lens.....</i>	124 -
3.2.2	<i>Single embedded case design</i>	125 -
3.2.3	<i>Linking my research design and the purpose of my research ...</i>	126 -
3.2.4	<i>A linear but interactive research process</i>	128 -
3.3	Research setting	129 -
3.3.1	<i>Selection of research setting.....</i>	130 -
3.3.2	<i>Accessing the case organisation.....</i>	132 -
3.3.3	<i>Accessing case participants</i>	136 -
3.4	Single case framework.....	140 -
3.4.1	<i>Attending to multiple levels of analysis.....</i>	140 -
3.4.2	<i>Coding different levels of participants</i>	141 -
3.4.3	<i>Attending to my research objectives through a single case study method.....</i>	141 -
3.4.4	<i>Structuring the strata within a single case.....</i>	144 -
3.4.5	<i>Participant and organisational demographics</i>	145 -
3.4.6	<i>Single case research outcome</i>	146 -
3.5	Data collection.....	147 -
3.5.1	<i>Waves of data collection.....</i>	147 -

3.5.2	<i>Locations of data collection</i>	- 150 -
3.5.3	<i>Interview protocol</i>	- 151 -
3.6	Data analysis.....	- 154 -
3.6.1	<i>Transcription</i>	- 154 -
3.6.2	<i>Integrating my observation notes into data analysis</i>	- 154 -
3.6.3	<i>Coding overview</i>	- 155 -
3.6.4	<i>Phase 1: Coding</i>	- 156 -
3.6.5	<i>Phase 2: Categorizing</i>	- 160 -
3.6.6	<i>Phase 3: Theory</i>	- 161 -
3.6.7	<i>Triangulation</i>	- 161 -
3.7	Ethical considerations.....	- 162 -
CHAPTER 4 - INTRODUCING THE BANK'S ORGANISATIONAL		
CONTEXT.....		
4.1	Introduction.....	- 163 -
4.1.1	<i>Chapter structure</i>	- 164 -
4.2	Why context is important?.....	- 165 -
4.2.1	<i>The need for extra-organisational context</i>	- 167 -
4.3	Market Conditions.....	- 168 -
4.3.1	<i>PSLB overview</i>	- 169 -
4.3.2	<i>Economic climate</i>	- 170 -
4.3.3	<i>Ownership and structure</i>	- 170 -
4.3.4	<i>Bank's history five years prior to site visit</i>	- 172 -
4.3.5	<i>Importance of human capital</i>	- 173 -
4.3.6	<i>Market conditions summary</i>	- 175 -
4.4	Laws and regulations.....	- 177 -
4.4.1	<i>Trade unions</i>	- 177 -

4.4.1.1 HR practitioner's alignment to union positions – identity tensions emerge	179 -
4.4.2 Financial regulation.....	181 -
4.4.3 Laws and regulations summary.....	191 -
4.5 Institutions	192 -
4.5.1 Social connection	192 -
4.5.2 Competing Logics: Insiders and outsiders.....	194 -
4.5.3 Impact of institutional forces on HR practitioners.....	197 -
4.5.4 Institutional context summary.....	201 -
4.6 Culture	201 -
4.6.1 Introducing cultural context.....	201 -
4.6.2 National culture.....	201 -
4.6.3 Impact of home life on HRM practices	203 -
4.7 Conclusion	204 -
CHAPTER 5 - RESEARCH RESULTS INVESTIGATING HR STRATEGIC ROLES	206 -
5.1 Introduction	206 -
5.1.1 Chapter Overview	207 -
5.2 Business unit contextual overview	208 -
5.2.1 Conceptualising strategic themes	209 -
5.3 Formal strategic structures.....	210 -
5.3.1 PSLB strategic plan development	210 -
5.3.2 HR practitioner ambiguity within formal strategic planning ...	214 -
5.3.3 Summary of formal strategic structures	219 -
5.4 Change agent	219 -
5.4.1 HR Director's change orientation.....	219 -
5.4.2 Organisational level vs unit level perceptions of HRF value	222 -

5.4.3 Behaviour change	- 225 -
5.4.4 <i>Attitude and behavioural change practices and praxis by HR practitioners</i>	- 231 -
5.4.5 <i>Changes to policies and practices</i>	- 240 -
5.4.6 <i>Drivers of HR practitioner's orientation to change</i>	- 247 -
5.4.6.1 How do HR practitioners conceive change?	- 248 -
5.5 Employee Champion Role.....	- 249 -
5.5.1 <i>Role tensions stemming from performative and developmental logics</i>	- 250 -
5.5.2 <i>Employee champion mechanisms</i>	- 252 -
5.5.3 <i>Employee Engagement</i>	- 256 -
5.6 Administrative Expert Role	- 258 -
5.6.1 <i>Value addition</i>	- 259 -
5.6.2 <i>Devolution of HRF responsibilities</i>	- 259 -
5.6.3 <i>Administrative expert role within the branch network</i>	- 261 -
5.7 Summary of chapter 5	- 265 -
CHAPTER 6 - BU AND HRF INTEGRATION	- 269 -
6.1 Introduction	- 269 -
6.2 Chapter Overview.....	- 269 -
6.3 Interaction and collaboration between the HRF and BUs	- 270 -
6.3.1 <i>Framing integration</i>	- 270 -
6.3.2 <i>Proactivity versus accommodating SBU needs</i>	- 271 -
6.3.3 <i>Adaptive and recursive practices</i>	- 271 -
6.3.4 <i>Strategic proactivity sought but not occurring</i>	- 271 -
6.3.5 <i>Future strategic proactivity sought</i>	- 278 -
6.3.6 <i>Operational responsiveness</i>	- 282 -
6.3.7 <i>Proactive strategic and operational interaction occurring</i>	- 285 -

6.3.8 Summary.....	- 287 -
6.4 Variations of HRM Collaboration.....	- 288 -
6.5 Strategic formation practice collaboration	- 289 -
6.5.1. Collaborating on value adding systems	- 289 -
6.5.2 Variation between senior management and middle management collaboration.....	- 294 -
6.5.3. Referencing strategic planning targets	- 296 -
6.5.4 Feedback mechanisms and collaboration.....	- 298 -
6.6 Organising Practices	- 300 -
6.6.1 Practice misalignments	- 301 -
6.6.2 Negotiated practices.....	- 302 -
6.6.3 Supplementary support.....	- 302 -
6.6.4 Specialist business units.....	- 302 -
6.7 Control practices.....	- 304 -
6.7.1 Accessing resources.....	- 305 -
6.7.2 Summary of collaboration practices	- 307 -
6.8 Factors influencing strategic intergration	- 307 -
6.8.1 Extra-organisational level.....	- 311 -
6.8.2 Organisational level factors.....	- 314 -
6.8.3 Business unit level analysis.....	- 319 -
Summary of chapter 6	- 329 -
CHAPTER 7 - CONCLUSION	- 331 -
7.1 Introduction	- 331 -
7.2 Summary of thesis	- 331 -
7.3 Empirical and theoretical contributions stemming from a qualitative single case approach	- 334 -
7.3.1 Working lives of HR practitioners.....	- 334 -

7.3.2 <i>Expanding the notion of practices</i>	- 338 -
7.3.3 <i>Contextual factors</i>	- 339 -
7.4 <i>Multiple levels of analysis</i>	- 342 -
7.5 Contributions to practice	- 343 -
7.6 SAP and HR role theory insights.....	- 344 -
7.7 Limitations.....	- 346 -
7.8 Suggestions for future research	- 348 -
7.9 Final conclusion	- 349 -
REFERENCES	- 351 -
APPENDICES	- 390 -
APPENDIX A: Participant Interview Information.....	- 390 -
APPENDIX B: Participant information sheet	- 394 -
APPENDIX C: Participant consent form	- 395 -
APPENDIX D: Low risk ethics notification	- 396 -

LIST OF TABLES

<i>Table 2.1: Comparing HR role typologies.....</i>	-72 -
<i>Table 3.1: Overview of participant levels of analysis.....</i>	-140-
<i>Table 3.2: Stakeholder group representation of roles.....</i>	-143-
<i>Table 3.3: Gender composition of participants.....</i>	-146-
<i>Table 3.4: Waves of interview.....</i>	-147-
<i>Table 3.5: Abbreviations of stratum for participant narrative identification.....</i>	-159-
<i>Table 3.6: This research’s sources of evidence.....</i>	-162-
<i>Table 4.1: Abbreviations of stratum for participant narrative identification.....</i>	-169-
<i>Table 5.1: Summary of strategic narratives.....</i>	-210-
<i>Table 5.2: Variations of Change Management Praxis.....</i>	-230-
<i>Table 6.1 Stable and fluid BU characteristics.....</i>	-322-
<i>Table 6.2 HRF individual level activities and their outcomes.....</i>	-325-

LIST OF FIGURES

<i>Figure 2.1: A conceptual framework for analysing strategy-as- practice.....</i>	-36-
<i>Figure 2.2: Typology of practitioner and practice.....</i>	-41-
<i>Figure 2.3: The Ulrich model (1997).....</i>	-74-
<i>Figure 2.4: Recursive and adaptive characteristics of the micro- macro contexts.....</i>	-110-
<i>Figure 3.1: Types of designs for case studies.....</i>	-125-
<i>Figure 3.2: Strata of interview participants.....</i>	-145-
<i>Figure 3.3: Saldaña’s streamlined codes-to-theory model for qualitative enquiry.....</i>	-156-
<i>Figure 3.4: Example of simultaneous coding.....</i>	-158-
<i>Figure 4.1: The landscape of unanswered multi-level HRM research questions.....</i>	-166-
<i>Figure 4.2: Extra Organisational Level Context.....</i>	-168-
<i>Figure 6.1 Framework for factors influencing integration.....</i>	-310-

GLOSSARY OF ACRONYMS

HRF	Human Resource Function
HRM	Human Resource Management
SHRM	Strategic Human Resource Management
BU	Business Unit
BUs	Business Units
SAP	Strategy-as-practice. A swiftly developing body of scholarship that treats strategy as the work of ‘strategists’, rather than an activity of top management alone. It focusses on who does strategic work, particularly focusing on these actor’s micro-activities. Strategy is therefore treated as something that is done rather than something an organisation has.
RBV	Resource-based view of the firm
KPI	Key Performance Indicator
CEOG	Chief Executive Officer Group. A level within an organisation below that of the board of directors. It constitutes a group of senior executives who make decisions to address internal and external environmental factors. This a level where the locus of strategy formation predominately occurs.