

Towards a POAR artefact for process-oriented appraisals and rewards.

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Abstract. This study tackles the misalignment challenges between Business Process Management (BPM) and Human Resource Management (HRM), and more specifically regarding employee appraisals and rewards. By following the Design-Science Research (DSR) methodology, we will develop artefacts to help managers obtain an overview of what to change for better aligning appraisals and rewards to their business processes. This work-in-progress intends to contribute to a better understanding of this BPM-HRM alignment, and will offer practical solutions to a contemporary business issue.

1 Introduction

While organizations can benefit from adopting BPM by becoming more efficient, horizontal and customer-focused, BPM also carries managerial challenges of aligning other management practices to business processes. Interestingly, both BPM and HRM disciplines agree on ‘why’ such alignment is important [1, 2], but no study was found that taps into this urge of a fit to uncover the ‘how’ and ‘what’ part of the BPM-HRM alignment. More specifically, managers are still puzzling how to ensure the alignment of employee appraisals and rewards to gain a sustainable success of BPM. Therefore, we will address the following research question: How can employee appraisals and rewards be aligned with business process orientation in an organization?

2 Research method

To answer the research question, we will conduct a Design-Science Research (DSR) study, since we intend to tackle a real-life organizational issue by developing a practical solution via a rigorous research design [4]. The study will adhere to three DSR theories: (1) the Information Systems (IS) artefact types of [3], (2) the DSR methodology of [4], and (3) the DSR cycles of [5]. The five steps of [4] will be translated to our work. Since HRM issues have been scarcely addressed in previous BPM/BPO research, an explorative case study design was a logical choice to gain first-hand empirical input for

our DSR study. Data collection resulted in 14 interviews from ten organizations, including relevant online and internal resources as well. We used NVivo tool to conduct a detailed content analysis of the qualitative data collection.

3 Process-oriented appraisals and rewards (POAR) model

Based on a content analysis of the ten case studies, we have built a POAR model artefact which specifies six main categories and their sub-components on which managers can focus for potential alignment possibilities: (1) employee level of adjustment, (2) assessment dimensions, (3) organizational practices, (4) reward types, (5) the frequency, and (6) context factors. The POAR model can already be used as a practical tool for identifying painful misalignment issues and to tackle them by adjusting performance dimensions or aligning rewards to wanted behavior that brings process success.

4 Future work

We will continue our DSR study by developing subsequent artefacts, namely resulting in a working prototype (“instantiation” artefact) based on the POAR model and supplemented with a POAR method artefact (i.e. guidelines and process steps on how to use the POAR tool) to practically adjust employee appraisals and rewards to business processes. Consequently, the working tool can be effectively used by HRM and BPM managers during their brainstorming meetings to facilitate the BPM-HRM alignment.

We consider to evaluate POAR in two steps [6]:

- (1) **process validation** – evaluating content comprehensiveness with HRM academic experts and by coupling back to the case representatives;
- (2) **product validation** – evaluating the end product with HRM and BPM managers by letting them use the POAR instantiation in their organizational context in three business scenarios (i.e. a private organization, a service organization and a non-for-profit).

5 References

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