Occasioning change through HR Sourcing

Mitchell van Balen, University of Applied Sciences Utrecht, Netherlands
`mitch.vanbalen@hu.nl`

Tanya Bondarouk, University of Twente, Netherlands
`t.bondarouk@utwente.nl`

Abstract. *This article describes how structuration theory can be used to analyze changes as invoked by two HR Sourcing arrangements: HR Shared Service Centers and HR Outsourcing. This approach allows us to understand changing responsibilities, altered HR processes, and the adaptation of web-based tools for HRM, through the eyes of organizational agents. Moreover structuration theory allows that their perspectives can be utilized to explicate the emergence of adversities and advantages that are commonly identified with HR Sourcing, but which often lack interpretation. In order to create a more solid understanding of those perspectives, the notion of an HR Ensemble is developed, which signifies the mental constructs that organizational agents can carry about HRM. By highlighting these constructs before and during the occurrence of HR Sourcing at six organizations, several well-known, but ill expound phenomena are illuminated. This is grounded in the comparison of the two HR sourcing arrangements, which gives the opportunity to explain several differences. The article concludes with three recommendations to make HR Sourcing more viable.*

Keywords: HR outsourcing, HR shared service centers, structuration theory, HR Ensemble

1 Introduction

An examination of the literature on HR Sourcing demonstrates a number of similarities with the studies into electronic HRM (e-HRM). Firstly, e-HRM and HR Sourcing arrangements have experienced similar patterns of growth in modern organizations [15, 41]. Secondly, both initiatives are promised to advance the efficiency of the HRM function and the organization as a whole [21]. The growing adoption of HR Sourcing, combined with the increasing sophistication of the information systems available, presents organizations with the opportunity to manage human capital more effectively [1, 17, 28, 33]. The current generation of HR Sourcing arrangements, associated web-based tools and Information Technologies enable organizations to perform diverse HR practices within- and across organizations. Moreover they also enable the automation and devolution of many routine administrative and compliance functions traditionally performed by corporate HR departments [16].

Driven by suppliers, ample reports have been written on those advantageous effects of HR Sourcing for organizations in general and the HRM function in particular. Yet there

also have been writings on the possible disadvantages and unfulfilled potential of HR Sourcing [13, 26, 43].The failure of organizations to fully capitalize on the opportunities generated by the establishment of HR Sourcing arrangements to deliver sustained organizational value has been attributed to a number of factors. These typically relate to problems associated with IT implementation including: ill-defined implementation projects, inadequate leadership or planning, employee resistance, a lack of user involvement, underestimation of the complexity of the HRM function, and so forth [37]. These consequences tend to be related to the various ways in which different organizational actors engage with, enact, subvert or avoid new HRM or its planned objectives and thus undermine the anticipated value of HR Sourcing. And while these explanations are undoubtedly valuable, it remains the case that the studies from which they are derived largely ignore post-implementation factors impacting on the performance of, and outcomes associated with, HR Sourcing arrangements.

From this stance we propose to broaden the understanding of the effects of HR Sourcing by including those post-implementation dynamics as well as implementation process issues into research. Our paper considers the role of human agency in the process of HR Sourcing, and the uses of an HR Sourcing post-implementation arrangement. We are engaged with the critical HRM studies, emphasizing the prominent and decisive role of human agency in the enactment of HR Sourcing [9, 10, 22], suggesting that various stakeholders including line managers, users, HR and IT professionals seek to exercise social influence in order to change the pattern of organizational HRM [12, 35]. Further, the institutional context within which HR Sourcing is introduced is acknowledged to play a role in shaping its effect on an organization [34, 47]. Hence, any changes associated with it are likely to be shaped by the interaction between institutional patterns and the interests of individuals and groups within organizations [4, 30].

In order to understand human agency as context dependent and embedded in organizational frameworks, structuration theory is advanced in several researches [e.g. 2, 20, 29]. The theory allows to focus on (managerial) behaviour and its connection with the larger organizational developments in concurrence. Structuration theory thereby enables the understanding of agency before and during the implementation process of HR Sourcing arrangements and its influence within the organizational context. Our study is, therefore, motivated by such research questions as what are the changes that occur with HR Sourcing due to the behavior of organizational agents. We will expand on the characteristics of this process in terms of structuration theory, thus describing the structuration characteristics of HR Sourcing arrangements. The paper is organized as follows. First, we elaborate on HR Outsourcing and HR Shared Service Centers, after which we discuss structuration theory. Thereafter we explicate the conceptual framework which was used in our research. Subsequently the findings and discussion of that research are presented whereupon three recommendations are formulated for HR Sourcing.

2   HR Outsourcing and HR Shared Service Centers

While there are many forms of HR Sourcing [11, 23], this article will focus solely on HR Outsourcing and HR Shared Service Centers. We see several reasons motivating our choice. First of all, these two are paramount in modern organizational life [8, 31] Secondly, the motives for establishing these sourcing arrangements often overlap (see Table 1) which makes them interesting to compare [19].

Both, HR Shared Service Centers (SSC's) and HR Outsourcing can be viewed as a particular kind of HR sourcing arrangement having a long-term and strategic impact [6].

Their popularity originates in a combination of advantages, including efficiency gains and an increase in service quality without giving up the control of the organizational and technical arrangements and expertise [19]. However, SSC's differ from outsourcing models [42]. HR outsourcing models offer contracting out or selling of the organizations certain HR activities (partially or fully) to a third party vendor, which in return provides the service for a specific period of time and monetary fee.

During HR outsourcing, the relationships are built between one client and one-or-more external vendors. This in contrast with HR SSC's which address the relationships between many clients and one vendor, both belonging to the same organization. Further, HR outsourcing is oriented towards external vendors, therefore involves a formal contractual relationships, with clearly defined responsibilities, which are legally shifted to the vendor. HR SSC's are restricted to the boundaries and capabilities of the internal organization, often not being allowed to serve external clients and only be able to use internal resources, - that restricts potential economies of scale and skill [19]. Business models of HR SSC's try to capture the benefits from both centralized and decentralized models that are often conflicting in nature. While serving multiple customers having various needs, standardization and a clear management structure are maintained as benefits of the central model.

As Table 1 reveals, and as other research supports [31], there exists a discrepancy between the motives for commencing with and the eventual accomplishments of sourcing. These discrepancies are of our particular interest since it gives rise to believe that there is an unleveraged potential for HR Sourcing which is not fulfilled. As discussed in the introduction, behavior of organizational agents can result in arrangements that have various 'unintended consequences' [27: p20]. Besides additional advantages, it is more often seen that original motives are not reached because of the behavior of organizational agents [44]. This brings up that HR sourcing is much more than just a senior management decision, but also entails enabling actions of other organizational agents.

We believe that the structuration perspective, while dealing with the post-implementation stage of HR sourcing arrangements, allow us to comprehend the deviation and drifting of the goal-achievement dynamics within these HR sourcing arrangements.

Motives labels	Motives associated with…		Accomplished motives*
	outsourcing	SSC	
Strategic and organizational motives			
Focus on core business	√	√	√
Gain access to high quality [IT] services and skills	√	√	-
Share risks and rewards	√	√	√
Speedy response to [IT] needs (quick decision-making)	√	√	√
Increase productivity	√	√	-
Professionalism of service provision	√	√	√
Reduction of uncertainty/ complexity	√	√	-
Elimination of burdensome [IT] function	√		
Reduction of a backlog of application development	√		
Re-structuring (devolution), downsizing	√		
Exploiting of new technology	√		
Market testing	√		
Accelerating reengineering benefits	√		
Clear control of the [IT] function		√	-
Synergy and concentration of innovation		√	-
One stop shop		√	√
Standardization of functionality and processes		√	√
Dissemination of successful practices		√	√
Political motives			
Enhancing credibility	√	√	√
Solving internal conflicts	√	√	√
Government legislation	√		
Reaction to the bandwagon	√		
Elimination local and complicated control of [IT] function		√	√
Technical motives			
Access to expertise / technology	√	√	√
Better performance of local [IT] staff	√	√	-
Higher service levels	√	√	-
Concentration of technical and project management expertise		√	√
Standardization of platform and application vendors		√	-
Better information security and authorization by centralizing		√	√
Consolidation of experiences		√	√
Economic motives			
Lowering control and maintenance costs	√	√	-
Accountability of control	√	√	√
Control of [IT] costs and better costs predictability	√	√	√
Generating a cash flow	√		
Converting capital assets to revenue	√		
Freeing resources for core activities	√		
Reduction of overcapacity by consolidation of systems		√	√

Table 1: Motives associated with SSC's and with outsourcing [19], * as accomplished in their case research

3   Structuration theory

Structuration theory understands action as path-dependent and socially embedded in ongoing-practices [14, 39]. These characteristics are grounded in the basic premise of structuration theory that human agents are capable of producing and reproducing social structures over time and space. Social structures concern themselves with how rules and

resources are allocated within social realities. Human agents do not however merely constitute structures, they also draw upon structures that are prior enacted by other human agents. Hence structure comes forth out of action while simultaneously being encapsulated in it. Structures are therefore not only constraining in so far that they shape human action, they are also enabling since they give guidance as well. From this it can be deduced that the division between agency and structure is mainly of analytical importance, since structure is embedded and only visible within action. Each of these domains does however need some explications about its premises.

Agency is the ability of human agents to influence power upon their actions [46]. By exercising power through their actions, human agents can establish and alter structures, although in reality the ability to do so might be marginal. Social practices become ordered and stable across space and time, as they become routinized behaviors. Routinization results from the desire to minimize sources of anxiety and is according to Giddens [14] an intrinsic human characteristic. When the enactment of routinized behavior lasts over time, it can be distinguished as a structure.

From an analytical stance structure can be separated on three dimensions of signification, domination, and legitimation [14]. Signification concerns itself with how meaning is restricted and enabled to make sense of context. Domination is occupied with how resources are controlled and utilized to exercise power. Herein lays the distinction between authoritative resources, which concern the control over people, and allocative resources, which concern the control over materials. And finally, legitimation entails how order and values are restricted and enabled [39]. Since structures are abstract and nonexistent outside the human agency, Giddens introduced the concept of modalities. Modalities are the means by which the bridge between structure and agency is made. Therefore they can be understood as visible, measurable units of analysis which can be used for analyzing the connections between agency and structure. There are three kinds of modalities; 'schemes', 'facilities' and 'norms'. Schemes refer to the frameworks that human agents use to interpret societal reality. Facilities are those resources which enable the human agent to accomplish its goals and to exercise power. Norms are the ways how sanctions and appropriate conduct are governed and how legitimacy is given to actions.

In short, structure influences how human agents communicate, enact power, and determine which behaviors to sanction and which to reward [3]. When structure is influencing the actions of human agents and those actions are influencing structure in turn, we can speak of the process of structuration [32]. Because structure can change over time and space [36], and is intrinsically personal in nature [40], various human agents can enact different structures. While discrepancies between structures may not be known, they can become visible when they are enacted. Moreover, when different structures are advocated through the propagation of new modalities, contradictions and conflict with other structures could arise.

4 HR Ensemble

Structuration theory offers the framework to understand, in accordance with our introduction, that human agents are knowledgeable beings who construct the reality and thus, do not necessary perceive HR Sourcing the same as offered by managers [29]. But while the basic premise of structuration theory is simple (we 'create society at the same time as we are created by it' [14: p14]), a model is required to understand how this process is shaped around organizational HRM. While HRM can be seen as all managerial activities undertaken by the HR professionals, this would leave short on

reality. Nowadays HRM is regarded to be more than solely the activities of the HR professionals and involves line managers, decision-makers, top managers, employees themselves, and even external agencies [38]. Therefore, in line with the premises of our outlay on structuration theory, it is important to explore how the agents that are involved with HRM perceive it.

This brings us to a model with three domains which correspond with the questions concerning what HRM delivers, by who it is delivered, and how it is delivered. The question on what HRM delivers concerns the *HR Processes*. That HRM consists out of ample processes needs little argue after extensive writings on them and the development of categorization systems to divide them [5, 11, 25]. Besides differences in their focus, whether it is transactional, transformational or strategic, it is also important to mention that their characteristics can differ. Here we would enter the domain of perceived quality, efficiency, and costs. We therefore pose that organizational agents can understand HR Processes as multifaceted in both their focus and characteristics. Who delivers HR processes is a core issue here since, as has been mentioned, shared services or outsourcing might be used to replace the 'traditional' providers. Besides this matter, there are also debates on the division of HRM responsibilities amongst other organizational agents [45]. The question whether the line manager should be accountable for more HR processes [43] is grounded in this issue. Therefore organizational members can have notions about the different *HR Agents* that exist within the organizations who deliver HR Processes. Finally, the contemporary discussion on e-HRM [7, 33] makes it necessary to acknowledge that organizational agents can perceive different channels through which HR processes can be delivered, differently. Where formerly the prime mode of deliverance was paper-based or by face-to-face contact, it got competition from the phone, electronic portals and more advanced e-HRM systems. Not only do these channels alter the form of what is delivered, but can also cause alterations on who delivers it. Therefore it is essential to understand the notions that human agents have about, what we will call, the *HR Networks*. The entirety of HR Agents and HR Networks which exist in order to provide HR Processes within an organization will be called the HR Ensemble. This entirety can be used as a construct that encompasses all the mental notions that organizational agents can have about the form of organizational HRM and simultaneously offers a framework to analyze them.

5   Conceptual Framework

Understanding the HR Ensemble as a mental construct of organizational agents allows us to describe it in terms of structure, and more specifically, in terms of modalities. While structures are in analysis rather vague and opaque, as they are only instantiated in human conduct, direct analysis of them would pose difficulties. Modalities on the other hand lend themselves more for direct analysis. While some have chosen to use 'scripts' [2] to avoid the still abstract nature of modalities, it is believed that given the afore mentioned digression, and witnessing their use in other studies [29, 39] their usage does not put up insurmountable barriers. The HR Ensemble can thus be described by its adherent facilities, norms and schemes.

When HR Sourcing is seen as altering the HR Ensemble, it can be understood as an occurrence that propagates new or different modalities. But by perceiving organizational agents as knowledgeable beings with the power to act otherwise, HR Sourcing is but a mere occasion for change which solely propagates modalities [2]. Transfers between original and propagated modalities are therefore neither inevitable nor impracticable. This is congruent with the observations of HR Sourcing and its

disparity between goals and accomplishments. By focusing our lens upon agency we enable ourselves to uncover possible exchanges that take place between the original modalities of the HR Ensemble and the intended ones, as propagated by the HR Sourcing arrangement. The framework is modeled in accordance with these statements and depicted in figure 1.
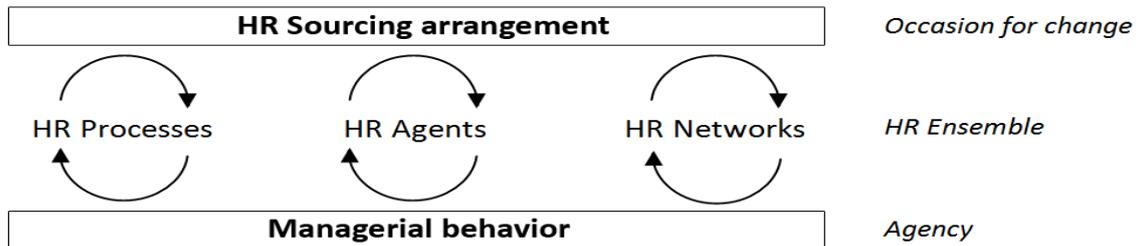

Figure 1: Structuration of the HR Ensemble

How this process of change can be analyzed and understood has been matter of precarious debate [36]. The hardship of structuration theory in empirical research is that it implies a duality of constant dialogue between agency and structure. Since this reciprocal account of social reality gives little opportunity to uncover neither coherence nor causality, complications wait in ambush. Fruitful assistance is however offered by Barley & Tolbert [3] and DeSanctis & Poole [12]. While the latter focus especially upon the interaction between human agents and information systems, the work of Barley & Tolbert addresses how institutional change and maintenance in organizational research can be described and analyzed. Their work offers clear guidelines for conducting empirical research with structuration theory.

Their method shows structure as synchronously constraining action whereas action constitutes structure diachronically. Herewith the process consist out of the encoding of structural principles, the enacting of modalities, revising and replicating those modalities, and finally the objectification or externalization of the actions. Thereby "the model reflects the contention that structuration is a continuous process whose operation can be observed only through time." [3: p100]. Hence, their method dissects the reciprocity of structuration by partitioning the process in distinct periods of time, thus offering a sequential view upon structuration wherein the interaction between structure and agency can be separated. Moreover, the distinct periods can be juxtaposed for analysis to create an account on how structure is maintained and modified in those periods. Thereby allowing the uncovering of social change by comparing the used modalities in separate periods of time.

6 Research methods

Research has been conducted at six organizations in The Netherlands which are mentioned in table 2. The organizations were chosen because they commenced with HR Sourcing two years before the interviews were conducted or even earlier. We deemed this minimal period of two years necessary to assess the potential changes. Furthermore, we have selected three organizations which chose for HR Shared services and three that chose for HR Outsourcing. In the case of Delta, where shared services were established before being outsourced, we specifically focused upon the outsourced HR processes and the changes that occurred after the shared service center was outsourced to a third party

vendor. These different HR Sourcing arrangements were chosen deliberately to uncover potential differences in structuration characteristics between them.

Organization	Sector	Number of employees	Sourcing form	Processes sourced	Year of sourcing
Alfa	Public	18.000	Shared Services	Transactional, Transformational	2005
Beta	Energy	10.000	Shared Services	Transactional	2006
Charlie	Public	65.000	Shared Services	Transactional	2004
Delta	Telecom	30.000	Shared Services / Outsourcing	Transactional, Transformational	2001
Echo	Services	20.000	Outsourcing	Transactional	2005
Foxtrot	Consumer goods	80.000	Outsourcing	Transactional Transformational	2006

Table 2: Researched organizations

In order to explore HR Sourcing as an occasion for change a retrospective research was conducted wherein managers that experienced the entire process themselves were interviewed. Both line and HR managers were interviewed because they are frequently confronted with the changes that HR Sourcing invokes. Furthermore, by interviewing both line and HR managers two visions upon HR Sourcing were generated from different perspectives. The persons which were eligible as line manager were those who have an operational responsibility and carry direct responsibility for multiple employees. The interviewed HR managers were those who were carrying the title of HR manager within the organization and were neither part of nor detached by the SSC or vendor. In every organization both a line and HR manager were interviewed, except in Echo where we were only able to interview an HR manager. This resulted in a total of eleven interviews in six organizations with managers who experienced the entire HR sourcing trajectory.

The interviews were semi-structured and information was asked about the HR Ensemble during different periods of the HR Sourcing trajectory. Besides the information on structuration characteristics in these time frames, information was also gathered on the initial situation of the HR Ensemble, and what the future desires and expectations were. The latter was done to get an insight into the interviewees view upon HR Sourcing within their organization.

7 Findings

In this section we describe the structuration characteristics of HR SSC's and those of HR Outsourcing as witnessed in the researched organizations. We will commence by giving a brief sketch of the overlap and discrepancies that existed between the original and intended modalities of the HR Ensembles. Thereafter the agency and effects will be described through time to give a complete overview of the structuration characteristics.

7.1 Structuration characteristics of HR SSC's

It was witnessed that HR SSC's propagated norms which were incongruent with the norms of the line and HR managers. The intended norms were implying a focus upon efficiency, cost-reductions and contractual based responsibilities. Efficiency and achieving cost reductions were however conflicting with the original norms of accessibility and customization. These norms were connected to the situation wherein HR managers were close to the work floor and were expected to support the line with HR related issues. This was enforced by the norm that obedience to the organizational hierarchy was the prime instrument to coordinate behavior of HR managers and herein legitimacy was found. This was however also intended to be altered since responsibilities were to be based contractually, thus undermining the influence of the line managers which were often of higher rank than HR managers. The schemes had to change accordingly with the altered norms. Originally the appreciation, capability and proximity of HR managers, were defining the schemes in the HR Ensemble. This was however contested when HR SSC's were established. Besides the formalization of the schemes in the form of service level agreements, and the introduction of key performance indicators, their focus also departed from frameworks around appreciation, capability and proximity. Yet the intended changes concerning the facilities were the strongest. The original situation could be defined as one wherein the HR managers were the ones upon who the quality and characteristics of the processes, responsibilities, and networks, were depending. Furthermore the line managers possessed the authoritative resources to influence power upon the HR managers. In the intended situation authoritative resources were changed by dismissing HR managers, transferring them to a centralized location, and by creating distance between the shared services center and the work floor. Consequently this would decrease the authoritative resources from the line. This desired abolishment of informal connections between HR managers and the line can be seen as a part of the intended changes in authoritative resources. Furthermore the allocative resources were promoted to change in several ways too. Initially the HR managers were located close to the shop floor, had their own office wherein they had control over personnel data and several local information systems. But change was expected to occur due to multiple reasons. Firstly the digitalization of HR Processes was enforced. This was causing HR processes to be standardized to fit in a certain template. Secondly e-HRM applications and call centers were propagated to give line managers and employees more self-service possibilities. Which consequently also caused that the office where the HR managers were located was to disappear and their allocative resources had to be detached.

It was generally accepted that the HR Ensemble was altered and it was understood that the original form was not beneficial to the organization as a whole and could be improved on several points. Nevertheless the modalities that HR SSC's propagated were negated in the agency of managers on several points. Therefore a tension was found between the believe in the added value of shared services on the one side, and on the other the perception that the supplier could not offer them what they needed. In line with structuration theory we can see several explanations of this apparent conflict. There existed a tendency among the HR managers to dislike the standardization of procedures and the inability of the supplier to aid the organisation with many of its questions. Moreover the line felt that little personal attention was given to their desires and the complications that they experienced with the SSC or with HRM issues in general. The HR managers therefore retook or maintained informal communication with line managers and thus (re)established the original relations. This desire was originating

from both line and HR managers, where the latter felt responsible for dealing with the complications that were experienced. This was possible in the first place because the HR managers were not transferred or detached from the work floor, so enabling them to maintain informal communications. Line managers therefore could pertain to their authoritative resources to influence HR managers. This implied that HR managers were still performing those processes that the SSC was responsible for. It also implied that the newly attributed responsibilities for HR managers could not be carried out, because they were preoccupied with the desires of line managers. The propagated norm of uniformity could consequently not be achieved. As a result the HR Processes were not so much standardized, more efficient, and cheaper as was desired. This was following from the lacking usage of the propagated facilities like e-HRM applications and call centers. The multiplicity of the HR Network was therefore intensified since new HR Networks like the e-HRM applications did not support the norms that were carried by the line management. Therefore more advanced networks were discarded by the maintenance of face-to-face contact. Thus by maintaining the relations between line and HR managers, originating from their norm for personal attention, not only the schemes and norms were negated, but also the intended facilities.

When we take the previous data into account we must affirm that the desired processes were not provided. Many agents experienced that the supplier did not live up to expectations and the HR processes were below expectations. This might be invoked by the propagation of wrong modalities, while this seemed to be connected to the fall back on the original modalities. This caused that a multiplicity of HR Processes emerged since the organizational agents were evading the supplier and demanded the HR Processes from the original HR Agents. Hence, the HR Agents retained the original distribution of responsibilities. This tendency was enforced because the managers felt a distance between them and the shared service center. The lack of attention that there was for the complaints of the managers also caused that they felt alienated from shared services. We saw that organizations eventually responded to this by sending a contact person of the HR SSC to the work floor to re-establish the intended responsibilities of shared services. And moreover to increase the accessibility of HR Processes, which was one of the original norms amongst the managers.

7.2 Structuration characteristics of HR Outsourcing

In the original situation the HR Ensemble was surrounded by norms of compliancy with the line's desires, high approachability and accessibility. Making appointments with HR managers was for example not necessary, since line managers could drop by in their office at any time. Furthermore the original modalities were similar to those at the organizations that chose for shared services. For instance the line managers were the ones that demanded the HR managers to perform. This was thus a very common norm that was witnessed within the organizations. Outsourcing did not seem to have intentions that departed greatly from these norms. The approachability and accessibility of the HR Ensemble were regarded important. It was also for that reason that the organizations kept silent about the outsourcing. This was justified by the fear that this would create feelings of alienation between the organizational agents and the vendor. Furthermore outsourcing was to promote norms of innovation around the HR Ensemble. The schemes also were subjected to several developments. Originally the HR Ensemble was signified by schemes of who was capable, who could comply to the wishes of clients and who was being personal and in the proximity of the business. Due to the

outsourcing some new schemes were introduced, while most original ones were also actively maintained. Formal schemes like service level agreements and contracts were introduced, but were only used as the backbone of the HR Sourcing arrangement. The original schemes were given place within this formal framework. This was done by putting formal emphasis on customer satisfaction surveys, creating incentives for understanding and collaborating with each other, and promoting personal attention for the clients, which was deemed equally important to assess the HR Ensemble as financial indicators. Therefore enough attention remained for the desires of managers and the original schemes were intended to be just slightly affected. Just as with the organizations that chose for shared services the facilities changed radically. These changes could also be perceived from the perspective of authoritative and allocative resources. Originally a lot of authoritative resources were owned by the line managers and this greatly influenced the shape of the HR Ensemble. The line managers could exercise their power upon the HR managers and on the way how they performed the HR Processes. Furthermore the quality of the HR Ensemble was very much depending upon the quality of HR managers. Few tools were at their disposal and their power was marginal. Outsourcing intended however to alter both the authoritative and allocative resources radically. The authoritative resources would move from the line managers to a more broad array of HR Agents. Not only would HR managers get different responsibilities, also line managers and employees were enforced to carry responsibilities for HR Processes. This means that line managers were losing authoritative resources which was often forcefully established by dismissing or removing HR managers from their proximity. The allocative resources were to be changed because new 'external' facilities were promoted. Facilities like call centers, e-HRM applications and external networks of knowledge became accessible to the HR Ensemble. These changes would also enabled a stronger focus on self-service around the HR Ensemble.

We saw that the intended alterations in the HR Ensemble caused several actions amongst line and HR managers. Line managers reacted rather stoic against the intended changes in facilities. The redistribution of authoritative resources was seen as an understandable development and the allocative resources that were offered to them where used and accepted. The HR managers that were affected by the outsourcing showed initially a great amount of negating actions, but this attitude changed over time. By means of increased career opportunities and offering educational programs this movement was tempered. Also the HR managers that gained more responsibilities were happy with the HR Sourcing arrangements.

We witnessed that these actions find their origin in the choice for rather similar modalities to the ones that existed originally amongst line and HR managers. When we take the previous structuration characteristics into account we must affirm that uniformity of processes was created, i.e. the processes were performed in a more standardized manner. Also the compliance with the service level agreements has positively been introduced within those organizations. This occurred simultaneously with the changes concerning the HR Agents. We saw that not only the responsibilities moved from the HR managers towards the supplier, but also that the responsibilities spread over multiple HR agents. This was enforced by the contracts that were developed on a partnership basis and enforced cooperation between the different HR Agents. The abolishment and removal of the informal structure that existed between the line managers and HR managers happened rather smooth and might have been made possible because the supplier always was very approachable.

8 Discussion

In the previous section the effects of HR Sourcing have been mentioned with regard to the HR Ensemble. These effects were portrayed as the eventual results of the structuration characteristics that were invoked after the HR Sourcing commenced. Table 3 gives a brief overview of this discussion.

	HR SSC's	HR Outsourcing
HR Processes	f. **Differing resources mobilised** **n.** Customised processes expected **s.** Client satisfaction diminished	f. **Propagated facilities utilised** **n.** Effectiveness and reliability are prime **s.** Client satisfaction major
HR Agents	f. **Authority remains at line** n. **Biased norms exist** **s.** Capability is important	f. **Redistributed auth. resources** n. **Collaboration and dutifulness** **s.** Common responsibility

HR Network	f. **Redefined informal connections**
	
	n. Each available connections is
	  justified
	s. Informal channels are better
		f. **Formal connections are enforced**
		
		n. Approachability and personal
		  touch
		s. Formal channels are used

Table 3: Effects of the structuration characteristics for SSC's and outsourcing:

f = facilities n = norms s = schemes

We believe that by aiming on the discrepancies and overlaps between original and intended modalities, and the witnessed changes of the HR Ensemble, recommendations can be derived for more viable HR Sourcing. It is acknowledged that the process of structuration is unpredictable in its very essence, because the structures that human agents enact are idiosyncratic and their context is specific and multifaceted. Yet, based upon our findings on how intended modalities replace original ones, recommendations can be given on how certain structuration characteristics can be invoked. By understanding the underlying reasons for the structuration processes HR Sourcing can be developed in such a way that intended changes will actually be enacted by line managers.

It was shown that outsourcing was associated with effects wherein the intended changes were actually accomplished. This was also expressed in the interviews where the managers stated that the HR Sourcing was successful. HR SSC's invoked totally different effects. The original and intended modalities were often seen in contradiction with another. This invoked a laborious process wherein eventually both original and intended modalities were typifying the HR Ensemble. Upon close investigation we can

see that shared services propagated many changes in the facilities, norms and schemes. Outsourcing on the other side promoted especially changes in facilities, while norms and schemes remained mostly intact and were maintained. Grounded in this comparison we believe to have found three recommendations to establish congruence between intended and actual practices and to foster the advantages of HR Sourcing.

8.1 Break ties with original facilities

The organisations that chose for HR SSC's experienced that HR managers who stayed close to the work floor still got requests for help from line managers. Moreover the SSC's eventually sent a representative to enhance the contact between the line managers because they were maintaining too much contact with the HR advisors/managers. These contacts enforced that e-HRM applications were not fully used and the face-to-face contact had more importance than intended. We believe that this continued contact was a source of alienation towards the HR SSC's. On the opposite of these developments we saw that after outsourcing commenced, line managers were stoic about the redistribution of the responsibilities and were not opposing the increasing workload. Because HR managers were removed from the organisation, through dismissal or relocation, the authoritative resources of the line faded. This forced them to adapt to the new situation which was taken without many difficulties. Therefore an emphasis should be placed on making line management more capable to deal with the new situation, rather than keeping HR managers close to the work floor in case that complications emerge. Therefore we would advice to propagate new facilities and break the ties with the previous ones since this can cause difficulties to adapt to the intended situation. This also implies that the organization should restrain line managers from depending on HR managers.

In addition it should be stated that this requires organizations to get a complete insight in their HR Processes. At several organisations the complexity of HR Processes was not understood. Transactional processes were perceived as simple repetitive administrative actions and nothing more, causing that the complexities around those processes were disregarded. It was for instance not taken into account that many different forms of these processes could exist throughout the organisation. Also the HR Agents that were connected to it, and the HR Network that was utilised, was not often fully comprehended. Therefore it was not uncommon that when HR Processes got sourced unclear situations came into existence. This caused among others that facilities were wrongly introduced and HR Agents were not able to cope with neither original nor intended modalities. Therefore a good understanding of the HR Processes is an absolute necessity before commencing the changes in modalities.

It was also mentioned that with HR Outsourcing, career chances and the employment contract of the (ex) HR managers improved. Consequently HR Sourcing was not merely perceived negatively by HR managers but also as an opportunity. This contrasted with HR SSC's, where low educated personnel was reported to work in the SSC were little opportunities awaited. They were not educated by the organizations and moreover they had little idea of who they were serving. Subsequently little information was present about the problems that the clients experienced and therefore clients often felt alienated from the shared services, promoting the move towards HR managers which were still in the proximity of line managers. We therefore saw that the quality of the HR SSC and vendor is (at least partially) dependent upon its personnel. By investing in the personnel the quality of the HR Sourcing arrangement can rise. Moreover the norms and schemes

that were originally present within the organization can be more easily maintained when the supplier is educated about them.

8.2   Leave the schemes of the clients intact

A finding which caught our attention was that organizations decided to keep the outsourcing 'secret'. In every organization it was seen that line managers often did not know for a long time that the vendor was an external party. While centralization and thus the physical removal of people was often notified, the fact that the personnel was not anymore part of the client organization was not. HR managers said that it was a conscious choice not to correspond about this with the organizational agents. Moreover, we saw that there were considerable efforts to make sure this was not noticed. For example, email addresses and telephone numbers remained the same after the outsourcing. And at Foxtrot the supplier was taking office at the client location, near internal HR managers. Thereby the original schemes concerning accessibility and proximity were not opposed, even though the physical proximity of HR Agents was altered.

In addition to this we saw that when service level agreements were not including measures which respected the original schemes, it was disregarded. Managers did originally not asses the HR Ensemble by formal means at all. And while a service level agreement was not regarded negative per se, HR SSC's foremost did not include the original schemes in the formalized new ones. This caused that the organizations assessed the shared services in total different ways than managers did. The alienation between the shared services and the managers was believed to originate from this. When outsourcing was commenced, client satisfaction for one was included as an important indicator of its success. This enforced that outsourcer and clients were sharing similar schemes to signify the HR Ensemble. We thus found that when schemes around the HR Ensemble are respected the intended changes are easier accepted.

8.3   Sustain norms whoever the supplier might be

A difference that we encountered between SSC's and outsourcing was that the latter had a bigger focus upon increasing the quality of HR Processes. Shared services on the other side had a bigger emphasis on the reduction of costs and increasing efficiency. While cost-reductions are a strong motive to commence HR Sourcing, it is not a common norm that is supported by line and HR managers. These managers adhered to norms concerning the personal attention and accessibility of the supplier. As a consequence demand rose up for HR Managers to aid the line, resulting in an overall increase of HR Processes, their costs, and reduction of quality. So we saw that when organizations focused primarily on cost-reductions these norms were indirectly opposed and managers started to show negating behavior. Reasoning from a cost-motive might thus be an improper mindset for commencing HR Sourcing. While we do not oppose that cost reductions can be achieved with HR Sourcing, we believe this can be achieved easier by respecting the original norms.

Furthermore it must be mentioned that education and investment in the supplier is not solely necessary to keep the schemes intact, but also to sustain norms. When HR Agents learn to signify the HR Ensemble that is accepted by organizational agents, they also should learn about the appropriate tools to legitimatize it. The HR Ensemble is stabilized when there is correspondence between them.

9 Conclusions

The article commenced by stating the goal to describe the structuration characteristics of HR Sourcing arrangements. This was posed with the intention to foster an insight into the discrepancy between motives and accomplishments of HR sourcing. After elaborating on the characteristics of structuration theory we have developed the HR Ensemble. It has been developed around the three main notions about HRM; who delivers, what it delivers, and how it delivers. By understanding the HR Ensemble as a mental construct and HR sourcing as an occasion for change, we are able to understand the consequent changes in terms of structuration.

The put the framework to the test a research was conducted at six organizations. The approach gave us insight into how organizational agents perceived and reacted upon HR Sourcing in relation with the original HR Ensemble. Thus effects were linked to the agency and structure of line and HR managers. By describing this process in terms of structuration we were able to understand the discrepancies between the intentions of HR Sourcing and the eventual effects. This resulted in three recommendations that advice to change the facilities, while respecting the original norms and schemes to a large degree. Our findings make us believe that if these recommendations are not taken into consideration during implementation, managers are very well capable of maintaining or returning to the original HR Ensemble. This was uncovered after comparing shared services and outsourcing and seeing that the latter succeeded in changing the original modalities to a larger extent. While we are aware that there are also HR Outsourcing arrangements that fail to live up to their potential, our three case examples give recommendations for future HR Sourcing arrangements alike. Therefore we can conclude by stating that existing structures can confine HR Sourcing in multiple ways but when modalities are understood, HR Sourcing can be more easily effectuated.

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