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Abstract
The topic of what HRM (Human Resource Management) responsibilities are devolved from the HRM department to line managers has attracted much interest in recent years. We report findings from a study on the devolution of HRM practices in four POCs (Project-Oriented Companies) and argue that although HRM practices are carried out beyond the HRM department, they are also carried out beyond the line. While the literature on devolving HRM responsibilities to line management is burgeoning, the HRM responsibilities of managers beyond the line organization are neglected. We make two contributions to the literature. Firstly, our study reveals that some HRM practices are the domain of the project manager rather than either the line manager or the HRM department. The complex interplay of the roles of the HRM department, line management and project management creates challenges and pitfalls where people are managed across the boundaries of the permanent and temporary organization. We identify a potentially powerful role for the HRM department in both monitoring and guiding the different players from the line and project organizations, and in protecting the well-being of employees whose work traverses these organizational boundaries. Our second contribution is that we map the diversity of practices in different POCs for managing the interplay between the three main parties delivering HRM practices and offer project-orientation as a contextual indicator that contributes to diversity in HRM practices.

Keywords: Project-oriented companies, project managers, line managers, devolution of HRM responsibilities, employee well-being.
Introduction: HRM in the POC

The HRM configuration of an organization is a key topic in HRM research (Mayhofer et al 2011) and interest in who is responsible for HRM practices, and the consequences of this for the organization and for employees, continues unabated (Poole and Jenkins 1997; Keegan and Francis 2010; Lepak et al 2005). Our study adds to this research area by examining the HRM configuration in POCs. The increased use of projects by contemporary organizations to achieve strategic and operational objectives has been widely observed (Brady and Davies 2004; Hodgson 2004; Sydow, et al 2004; Keegan and Turner 2001; Huemann, 2010), and while the adoption of projects is acknowledged to impact on HRM practices (Packendorff, 2002; Söderlund and Bredin 2006; Huemann, 2010) little research has so far been done to assess how project orientation influences the configuration of the HRM function and the division of HRM responsibilities. In an effort to redress this, we carried out an exploratory study to better understand HRM in POCs through four in-depth case studies in companies in the Netherlands, Austria, the UK, and the USA. The companies we studied share a strong project-orientation and apply projects as a central working form. Our paper is structured as follows. In the next section we review the theoretical background on the devolution of HRM responsibilities to line managers. We then discuss the POC and consider the potential implications of devolution of HRM responsibilities to project managers. This is followed by a discussion of our methods, sampling and an introduction to our case study organizations. Our findings are then presented and finally we conclude our discussion and suggest future areas of research on this topic.

HRM beyond the HRM department

A diversity of HRM practices exist in contemporary organizations and this is linked to differences in how HR is organized as well as what practices are adopted in what company (Poole and Jenkins 1997, Brewster and Hegewisch, 1993; Brewster and Mayne, 1995; Heraty
and Morely, 1995; Mayrhofer et al 2011). In the extant literature, HRM practices are broadly clustered into categories such as employee involvement, training and development, rewards and work practices (Poole and Jenkins 1997) and include “activities concerned with recruiting and selecting, designing work for, training and developing, appraising, rewarding, directing, motivating and controlling workers” (Wilton 2011: 3). While these common sets of HRM practices are broadly described in the literature, it is also evident that differences exist in how HRM practices take shape in different contexts. This diversity is linked to varying environmental and organizational characteristics such as size of organization, industry economic activity, management approach, role of the state, national culture, business strategy, organizational structure, organizational culture, degree of centralization or decentralization, ownership, and age of the organization (Brewster and Hegewisch, 1993; Gunnigle, et. al, 1994; Brewster and Mayne, 1995; Morley and Heraty 1995, Poole and Jenkins 1997, Sisson 1989; Brookes et al 2011). Likewise differences exist in how HRM is configured including who has operational responsibility for HRM and the size of the HRM department.

That HRM is carried out beyond the HR department, and by parties other than HR practitioners, has long been considered in both the HR and general management literatures (Niven 1967; Child and Partridge 1982; Poole and Jenkins, 1997; McConville 2006). Line managers are key players in the delivery and implementation of employment policies (McGovern et al 1997). Hutchinson and Purcell (2003) identify line managers as essential to HR service delivery, with line managers acting as a vital link between the policies developed by the HR department and their influence on employees and their performance. Even though some commentators view the devolution of HR responsibilities to line managers as a key characteristic of modern HRM (Kirkpatrick et al, 1992; Legge 2005; Schuler, 1989; Ulrich and Brockbank, 2005), diversity prevails when it comes to exactly how line manager involvement in HRM takes shape, especially when international studies are considered (Mayrhofer et al 2011; CIPD 2007; Morley et al 2006; Larsen and Brewster 2003).

Although further devolution of HRM practices to the line seems to be taken for granted, it still remains the subject of debate and contention. One challenge comes from those concerned that issues of employee well-being embedded in HRM responsibilities may be neglected by line
managers who are insufficiently trained, or motivated to carry out these activities, or indeed that they have time to devote to them. For example, Renwick (2003) has questioned if line managers are able to act in ways that secure employee well being, and whether in seeking a more strategic and less operational role, HRM specialists might in fact be gambling with employee welfare. Line managers may be unable to focus on representing employee’s interests and ensuring employee well being at work in ways that the HRM department traditionally was assumed to do. In a penetrating study of the HRM responsibilities of middle line managers in the NHS, McConville (2006) describes the role dissonance of middle line managers charged with managing employees, and the added burden of increasing levels of HRM tasks especially as specialist HR practitioner numbers dwindle. Winstanley and Woodall (2000) question at a more general level whether the discussion about the current direction of HRM practice sufficiently considers broader issues of employee well-being, arguing that the emphasis on HRM becoming more strategic and efficient may be marginalizing the discussion on employee-related HRM outcomes.

“the ethical dimension of HR policy and practice has been almost ignored in recent texts on HRM, where the focus has shifted to ‘strategic fit’ and ‘best practice’ approaches” (Winstanley and Woodall 2000: 6).

Exhortations for HRM specialists to devolve responsibilities to the line also fail to consider the tensions than can arise for HRM practitioners faced with new priorities that are primarily couched in terms of efficiency and value added service delivery and less in terms of their traditional role in representing employees to management and management to employees in an attempt to achieve parity and balance in employee and managerial interests (Francis and Keegan 2006). One problem with the emphasis on how HRM can become more productive, efficient and value adding is that HRM practitioners may face tensions arising from ‘old-new value clashes’ (Caldwell 2003). The traditional role of HRM practitioners as welfare workers and advocates of employees needs is often downplayed in accounts of how HRM’s role is changing. There may be some in the profession that resist devolving increasing levels of HRM responsibilities to line managers for fear of intensifying the changing profile of HRM work and losing what they see as HRM’s professional ethos thus diluting their unique contribution within the employment context (Kochan 2004). But the fact remains that line managers are
largely responsible for HRM practices in many companies, and that this is unlikely to change notwithstanding genuine concerns for how HRM specialists might best advocate worker’s interests and play a championing role for employee well being.

**Project-Oriented Companies**

POCs are considered a fast and flexible way of organizing temporary configurations of resources, suited to circumventing traditional barriers to organizational change (Brady and Davies 2004 p.1607). In all types of industries and sectors, projects are increasingly applied (Whittington, et al 1999) raising the importance of project-orientation in contemporary organizations. Not all organizations are equally project-oriented. Writers distinguish between companies which organize most of their internal and external activities in projects with those organizations where projects are nested within permanent organization structures (Keegan and Turner 2002). The former type of organization exists, but the latter is far more common, and most POCs are organized in a matrix structure where the line organization and project organization exist alongside each other, employees are housed in the line organization for administrative purposes, and projects are resourced from the line as and when needed.

**Tensions between the Permanent and Temporary Organizations**

POCs apply temporary projects as a central working form (Lundin and Söderholm 1995, Turner and Müller, 2003). The application of projects leads to organizational differentiation within companies, and flattens organizations (Morris 1997). Tensions can arise at the boundaries between the temporary ‘project’ and the ‘permanent’ organization (Manning and Sydow 2008; Bresnen 2006). These tensions are salient for understanding how the devolution of HR responsibilities, beyond the HRM department, might be more complex in POCs than in pure line organizations. POCs typically have a portfolio of projects (Gareis 2005) and this means that at any time the number of projects that are carried out can fluctuate. Project participants can have multiple and even different project roles that cross departmental, unit and organizational boundaries as well as crossing line and project boundaries. Challenges arising from this include role conflict at an individual level (Rau and Hyland 2002) and burnout as employees attempt to fulfill performance expectations for too many projects. Similarly, Sydow, Lindkvist and DeFillippi (2004) argue that a recurring tension within POCs is between
the ‘autonomy requirements of project participants and their embeddedness within organizational and interorganizational settings that demand integration of project activities within organization command and control routines and/or interorganizational coordination efforts’ (p.1476). In other words, project participants may play different roles across projects but also different roles within the project and line organizations. Project participants can also find themselves caught between the command and control structures at project and at line/functional level. While day to day work is carried out and supervised by project managers, longer term performance, reward and career management often takes place within the line organization (Huemann et al 2007). The demands of the different performance control structures may not always be aligned. Finally project managers trying to effectively staff their projects may clash with line managers trying to decide how to allocate scarce technical personnel across different projects.

**Devolution of HR responsibilities in the POC**

The question of whether and how much to devolve HR responsibilities is likely to be more complex when we consider the devolution of HR responsibilities beyond the line to project managers. There are at least two reasons for this. First, the HRM department’s contribution to organizational performance has been called into question (Hope-Hailey et al 1997) and the function has been forced to adapt to increasing pressure to prove that it adds value. This is all amidst a backdrop of encroachment of managers from within their organizations, and consultants and other parties from outside (Tyson 1987, Armstrong 1987). Having to devolve responsibilities to managers who are not specialists in employment policies could lead to resistance on the part of HRM specialists who fear dilution of their influence even more. HRM specialists’ concerns about devolving responsibilities are likely to be greater when these responsibilities are further devolved by line managers to project managers, or where they are divided among line managers and project managers. Secondly, the question of whether project managers are willing, able, or have time to carry out HR responsibilities is an important consideration. Research has shown that line managers struggle with HRM tasks (McConville 2006; Caldwell 2004). Project managers may be confronted with the same dilemmas as their line counterparts. Project managers may struggle to consider the broad organizational and long term consequences of their actions in terms of employees even though decisions made on
projects affect employees longer term career paths and aspirations as well as influencing how motivated people are on a day to day basis and how they perceive the psychological contract they have with their organization.

**Our study**

*Methods and Sampling*

We carried out four case studies on HRM in POCs in the Netherlands, Austria, the UK, and the USA. Our sampling was theoretical and we focused on case settings and respondents that were potentially insightful (Eisenhardt 1989 p.553). We sought organizations with a relatively high maturity in project-orientation (Gareis & Huemann, 2007), anticipating that this would yield theoretically relevant insights on how HRM is organized in POCs. Indications of project management maturity including the existence of a project management office and specialized career paths for project personnel were considered in selecting the case companies (Hobbs et al., 2008). The companies are all matrix organizations with a permanent line organization and temporary projects, although the way this takes shapes in practice differs between the firms. We did not limit ourselves to one sector or type of industry and the companies we chose are active in four different sectors including Business Process Outsourcing, Telecommunications, Engineering, and Aerospace Research. A description of each company can be found in Table 1 that also shows the variety of respondents in each company. We were interested in the views of those on the receiving end of HRM practices as well as those delivering them and for this reason we interviewed project participants as well as HR specialists, line managers and project managers. In each of the companies we conducted single and group interviews, and analyzed internal and public documents regarding HRM practices.

TABLE 1 NEAR HERE

*Data analysis*

We did not impose a theoretical framework at the outset but aimed to generate insights about HRM in the POCs we studied (Lincoln and Guba 1985, Eisenhardt 1989). In order to analyze our data, we first generated thick descriptions of each case study, describing in broad outline the major issues regarding HRM in the case study companies. We coded each interview
openly, identifying issues that appeared to be of general importance in each company. We then carried out an analysis of the relationship between initial codes, in an attempt to understand core inter-relationships. From this level of analysis, we identified the HRM responsibilities of managers beyond the line as an important theme in understanding HRM in each of the four companies. This is the focus of this paper. As the general picture emerged in each company regarding its main activity, project orientation, and management of human resources, we moved to a second level of more detailed cross-case analysis on the theme of HRM responsibilities of managers beyond the line and considered this in relation to both the HRM responsibilities of line managers and the devolution of HRM responsibilities by the HRM department. The main findings on this issue are presented in the following sections, beginning with the HRM department and the pattern that emerges in each company regarding devolution of HRM to the line and beyond.

Findings

The HR department in POCs

All four organizations have a HRM department employing HRM specialists. Beyond that, there is considerable heterogeneity in the way the HRM department operates and how it manages the interplay between the different parties involved in carrying out HRM tasks.

For the HRM department in Case Company 1, pushing HRM practices as far down the line, and beyond the line, as possible, is a top priority.

So, if you’re talking about performance assessments, individual development plans, aspects even of exit, aspects of illness that is all done //by the line manager (HR Director Case 1)

The company is a POC with a high level of project management maturity with a project management office and specialist careers paths, training, and development for project managers. Courses and internal seminars to improve overall project orientation of the company are regularly held. Some HRM practices, notably performance appraisal, are managed with a framework developed by HRM headquarters in the USA, and these are cascaded down to four regions including the EMEA region (Europe, Middle East and Africa) within which our case is located. The HRM department has downsized considerably in recent years from seventeen
HRM specialists to four. This reduction in the ratio of HR specialists to employees is linked to at least three factors. First, ‘utilization’ is a core value and HRM activities should always be billable. HRM specialists therefore operate as business partners to line and project managers, selling them services as internal consultants. Secondly, the company has invested enormously in the use of HR on-line facilities for employees and managers, and HR shared service centres. Thirdly, as stated already, HRM responsibilities are largely devolved to line managers and, to a lesser extent, project managers. HRM specialists have little or no direct contact with employees. Describing the way the HRM department operates, the director explains:

You should realize one thing: it is very important to what extent is HR allocated in the business in this company? And that is very strong. I would even say that the amount of times that we as HR see individuals is very, very, very limited. So, the vast majority of, I even dare to say, 98% of the contact with the individual [employee] is made in the business [by] project managers [and] 'people care managers' (HR Director, Case 1).

Central to the prevailing role of HR practitioners is rejection of a traditional role once played within the company by the HRM department –that of protecting employee well-being, acting as an acolyte of benevolence (Torrington and Hall 1991) or as an employee champion (Ulrich and Brockbank 2005). The HR director asked:

Do you really need such a role for HR? Another question is: would you need it for the business? Should you have a role as super people care manager where you can go, when [problems] arise…. [such independent role, no, we don’t know it…..I would like to use the word threat….for a lot of people, maybe even for employees [that role] could be a threat. Because [that person] has power, she has maybe even more power than the head of the [department or company]. I don’t think that [this company] would like to have such a person….I mean, this person is huge…. [t]hat is the first feeling I have. I mean, let’s try to respect the responsibilities our line managers have, and if there is a problem with this line manager then we should not try to work around her. (HR Director, Case 1)

The rejection of this traditional HR role might explain why line and project managers perceive HRM as distant, are unsure even of where HRM specialists are located or how big the HRM department is. They describe the HRM department largely as bureaucratic, ensuring practices are in conformance with local regulations for example on car lease arrangements in one country as opposed to another. The HRM department ensures that information on the web is updated, that global guidelines and communicated to relevant managers, and that the HRM newsletter is prepared each day.
Our interviewees from the HRM department do not deny this distance from managers and employees, and suggest that the emphasis on utilization may have gone too far and damaged the departments effectiveness in helping managers and employees. Much of their time is caught up in implementing common global standards for issues such as performance appraisal but also in giving shape to these standards within the local, legislative context. For example, the existence of trade unions and collective labour agreements is a source of variation in how the global standards take shape in each local business unit. Collective labour agreements in the Dutch company limit the HRM department’s room for maneuver in areas such as compensation. It also acts as a barrier when advising managers on the posting of employees on projects in different country locations, and the hiring temporary project workers.

In Case 2, a former state owned wireline Telecommunications Company, the HRM department was structured according to HRM activities such as selection and reward, but is being reorganized as a generalist HRM function with HR business partners in the line units. The organizations change effects have elevated the status of project managers in the company as professional project managers are required to head up change projects. The HRM department is positioning itself to support the broader transformation taking place in this company and in orienting itself more to project management.

Recently we were asked to propose a project manager for the big project of reorganizing the sales processes. I was asked to provide a recommendation which project manager would fit. I checked the job codes, the experience and of the project manager is certified, which is today very much linked to the career levels. This is a very positive development that the HR department can contribute to proposing project managers for strategically important projects. (HRM Manager Case 2)

The HRM department supports this new project-orientation by identifying high potential project managers, structuring project-management job families, and supporting the certification and selection of project managers for key projects

The HRM department is Case 3 is larger and more directly involved with managers and employees. Case 3 is a design engineering company with three divisions serviced by one
central HRM department. Although projects are a major part of the organization and comprise one of the three main divisions, the company has a strong line organization and considers itself an engineering company that does projects as opposed to a POC with engineering capabilities. To understand how HR operates we need to look at the temporal dimension of project work. If projects last less than one year, HRM specialists located in the HRM department provide support to line managers on a variety of issues including recruiting and performance appraisal. They also act as advisors to the project, providing consulting type services to project managers such as organizing project specific training and advising on relocation for project staff. However, where projects last more than one year, HR personnel are transferred to a newly created quasi-business unit over a longer period of time. One project employee comments:

[If you are seconded to a major project] there is a dedicated HR rep. [On one such project I was seconded to] the person we had there was excellent, he took care of all our terms and conditions and if we had any problems at all, we knew that we had an appointed contact that we could go to and that worked extremely well (Project Participant Case 3)

Employees working on these large, longer term projects are formally transferred to the new temporary organization according to a set of procedures known internally as ‘the code’ which are the responsibility of the HRM department and which lay down all the relevant terms and conditions of employment as they relate to the new (temporary) organization. The code is available on the intranet. The HR culture in the company is described as ‘caring’. All of the respondents mentioned this aspect of HRM in the company, relating various stories about the founder and his commitment to creating a caring company. According to one line manager,

I think [the company] likes to promote itself as a caring company, although they’re quite a large organisation. I think there is the ethics behind the company that was set up by the founder, ['] himself. There is something that’s known as the key speech, where [the founder] set down his vision for the company. A lot of that was about personal values behind the company. He wasn’t just… he didn’t set it up just in order to make excessive profits or to try and take advantage of other people. It was a genuine concern about working together with other people involved in the industry to create something that was going to be a benefit to the larger community. A lot of that feeds through into the way that people behave and work within this organisation. (Case 3 Line manager)

The governance structure of the company is said by respondents to reflect and support this perspective on employee well-being as the company was set up and is still run as an employee
owned trust. Employees in the company are not represented by trade unions and there are staff representatives and a staff organization.

Case 4 is a US based public sector organization involved in aerospace research and development. There is a central HRM department and some small local HR units in the flight centres. The primary role of HR specialists is managing administrative and legislative issues and compliance with employment regulations. The company is government run and highly knowledge intensive, and the employees and managers are considered to be organization’s most important asset. The organization is also highly project-oriented and explicit about the fact that project management is a core competence of the organization. Every new employee, regardless of position, undergoes comprehensive training about the values of the organization. This training programme includes basic knowledge of project management. The person responsible for designing and implementing the training argues:

So more or less, we expect every body in the organization to speak project management.
(Leader of the project Academy)

To further develop this core project competency in individual employees, and the company as a whole, a specific unit called the Project Academy has been established. It cooperates closely with the HRM department, as well as line and project managers.

**HR in the Line in POCs**

The picture emerging from the cases is that line managers are responsible for most day to day tasks in the areas of recruitment, selection, performance appraisal, training, development, rewards and release from the organization. However, there are some key differences between the cases.

In Case 1 the devolution of HRM responsibilities to line managers is highly explicit and technologically enabled at every turn. The organization refers to line managers as ‘people care managers’. They have a technical background (not a project management background) and are embedded in the line organization. They have operational responsibility for HR practices like recruiting, training, development, appraisal and reward of employees under their care.
Performance appraisal of employees is a good example. It involves different managers from the permanent and temporary organizations but is led by line managers. Guidelines set by the centralized HR department require employees to nominate four people to provide input to their appraisals which occur, formally, four times a year. This aim is to ensure that the employee’s performance on projects, which may be quite invisible to their line managers, is made visible. However, considering that some ‘people care managers’ have a span of control of up to seventy employees, the time burden of managing this process is considerable, some say crippling. Lack of time to properly ‘care for people’, including their longer-term development, was lamented by both line and project managers during the interviews with this company. One Project Manager shared this insight:

I have not seen that the people managers [are] really active with, what do we do with the experience somebody has had in a project and how do we deploy that in… how do we create new chances for him with this experience? I haven’t seen it. Perhaps it’s there but I haven’t seen it. (Project Manager Case1).

In Case 2 the line organization, and therefore line managers, are extremely dominant. Line managers have operational responsibility for HRM practices and no obligation to formally share HRM responsibilities with project managers. Our interviewees from the line, the projects and the HRM department conveyed a picture of line managers rigidly guarding their position as ‘people managers’ and resisting devolving HR responsibilities to project managers even when it would seem to be make most sense. In the case of performance appraisal, for example, all appraisals of staff, whether they are located formally in the line organization and/or employed on projects, are conducted in the line organization. In practice, formal appraisals are not performed at all on the project in Case 2. In some cases, line managers do not solicit input from project managers about employees, arguing that when it comes to performance appraisal

[I]t is my responsibility. Mine alone. (Case 2 Line Manager)

Other line managers informally seek the opinion of the project managers and include this in the employees’ performance appraisal, especially when the performance contract includes the project performance.
Of course we have the appraisal / if a guy is working hard in a project then the line manager asks the project manager how was the performance of the employee in the project. / lets say 20 or 30% of the performance contract is related to the performance in the project.// then you always go over it with the project manager and say ok, how was the performance of the guy in the project.

Line managers also have operational responsibility for training and development budgets. The development of project-specific competencies is orchestrated by line managers, and all compensation and rewards budgets are controlled by line managers even down to social budgets for example for organizing events to celebrate achievements on projects. Inconsistency in whether project managers are involved in these processes is a source of considerable tension and regarded by project managers as a barrier to the effective management of project teams and as a threat to employee well-being and career development.

In Case 3, managers in the line organization (also called Group Homes to distinguish them from projects) are responsible for HRM most practices in recruitment, selection, performance appraisal, training, development, and rewards. Line managers we interviewed explained that they can turn both to online information about HRM, as well as to HR specialists from the HRM department, in seeking to resolve any issues employees might have for which they are responsible. One Line Manager explained:

What I would do is, the first important place is to look on the [Company] Intranet and following on from that, if the particular problem couldn't be satisfied by what is written down, then it would be // find out who the HR rep was for your particular area or project that you were working on and pursue it that way.

Thus while Case 3 managers use the intranet to solve HR problems, approaching a HRM specialist is something they feel free to do. Also in Case 3, the line manager is responsible for performance appraisal of employees but the project manager’s opinion is sought during the appraisal of employees who work on projects for less than one year. Where employees works for a project lasting more than one year, they are formally transferred to the project and appraisal takes place on the project and is supported by HR practitioners who are also formally appointed to support the project that is established as a quasi-business unit and led by a line manager.
In Case 4 the line organization is much less important than the temporary project organization. The focus of the organization is projects. The line organization is there to support the rather complex and long lasting projects. Line managers are however involved in resourcing the projects. Assigning personnel to projects is done very carefully, especially at project leader level. If the project manager is very task oriented, then the deputy project manager assigned is a person who is people oriented. This is all done to support learning and innovation which are core values in this organization. The development of project personnel is a core issue in the management of projects, and this is monitored by the Project Academy. The Academy offers courses to individuals on projects but also to project teams. Learning is organized on projects and supported by the Project Academy rather than by particular line managers.

**HR in the Project in POCs**

Our case studies reveal that there are many HRM practices carried out by project managers beyond the line. However, the extent to which project managers are formally or informally responsible for these activities varies considerably between companies, and within companies between practices. Furthermore, the importance of project managers and their power (organizationally) varies from company to company. From a HRM perspective, this means that in some companies project managers exercise less influence on issues such as training, development, performance appraisal, and rewards, even though they manage projects on which employees spend a great deal of time, and which are crucial in their overall career development.

The most important HRM responsibility of project managers is the assignment of project personnel. Assignment involves a set of practices that generally begin in the line organization and end on the project. Line managers identify core members such as the project sponsor and project manager, and then the project manager identifies and sources the other people required for the project.

In Case 1 and Case 3, project managers have access to a global resource plan and database to complete the assignment of personnel to projects. However, project managers gave mixed reactions as to the usefulness of the database and their personal use of it. While the existence
of a database of people and their skills offers opportunities to line and project managers in seeking to assign project participants, in practice there are barriers to assignment from the database. Interviewees mentioned local legal regulations limiting the mobility of project personnel, difficulties with which employment contracts might be changed from one regulatory context to another, informal restrictions arising from the expectations of personnel in different contexts as to how often or far they should be expected to relocate for projects as some impediments to using the global resource plan and database, driving home how local HRM is as a management issue. These limitations to the database mean it is bypassed by project managers in favor of informal practices and networking..

[II] do not use a database, most people I get for the project are known contacts. And we often have the same people who know their colleagues and work together in projects as well with these contacts (Project manager Case 1)

In Case 1, a project manager responsible for multiple projects within a large programme describes the process as a largely informal one, and one that does not involve support from the HR department:

The assignment [of project personnel] is one of the HR functions of the project manager, getting the team members involved // I think it’s not a formalised process. We talk with the people and when they say that they have the time and they have the capacity, I have to believe them. What I can do is estimate the time needed on the project, and look if this is compatible with their availability // There is no support from HR to recruit people. What we do, we buy in some people, of course, but not as [] employees, only as contractors. (Project manager Case 1).

A project manager from Case 3 explained that each home group has an administrator (not from HR) who tracks everyone’s utilization and knows on a monthly basis how personnel are allocated and how much time they have over for new projects.

[A]t group level they do regular reviews within the group probably on a monthly basis. Most groups have an administrator, who reports on every individual what their billable time is, how much of their time has actually been spent on fee-earning work.

On the supply side, personnel in Case Company 3 can apply for projects when they are advertised in the company newsletter.
There is usually an internal advertising process. We have a weekly newsletter that is circulated to everyone by email, called ‘[Company] News’. Included in that is any urgent demands for staff, which are posted in there. So if you’re interested in a particular project that has been advertised, you can apply. We do give preference to internal applicants, before they go out to the market. (Project Manager Case 3).

The role of project managers in the assignment process is also illustrated by data from Case 2. A senior project manager explained in detail:

I look for the project participants. I prepare a skill matrix as I know which topics need to be done in the project I know the skills required / Further I estimate whether I need a junior or senior, then I approach the persons directly; If the person has no time I ask the line manager. In any case I need to negotiate with the line manager to get the right persons on board. (Senior Project Manager Case 2)

In Case 2, assignment begins when a project sponsor (someone from the line organization) requests appointment of a project manager. Thereafter project managers are solely responsible for assigning the people they perceive they need or want for their project. A project manager in Case 2 explained:

Already before the project starts I engage the one or the other person./../Who has the know-how needed already in planning the project./../ Based on the planning process I submit a proposal about who is needed in the project./../who I would like to have in the project and propose it to the business units. (Project Manager Case 2)

Here we see the boundary issues between the HRM responsibilities of project managers and line managers. In this company, as is typical in matrix organizations, personnel who work on projects are formally ‘housed’ for administration purposes in business units. The reason is that the employment contract is usually expected to outlast the project, and some level of continuity is required in managing employees across project lifecycles. For the project manager to staff a project involves negotiating for personnel with line managers, and also competing with other projects, and other project managers, for those same people. One project manager explains the issues involved in making such assignment requests.

We make clear, based on skill profiles and the requirement derived from the work breakdown structure, who we need in the project./…/ (Project Manager Case 2)
He goes on to explain some of the difficulties involved in this, specifically in terms of access to information about who has the right skills in his company.

Skill profiles are not centrally administered in our company. For the project manager this would be a useful support, if the units provide an overview on the skills of their people (Project Manager Case 2)

The Project Manager argues that the individual units (individual departments, resource pools or expert pools) could do more to provide an overview of available personnel as well as their skill profiles, but he did not see a role for the HRM department in managing this. In Case 2 there is a strong line organization and the maturity of project-orientation is variable in the units. The need for the project manager to have good personnel on the projects is evident, but the process is handled informally and can be hit and miss in terms of getting enough experienced personnel when they are needed.

The assignment of personnel to the project is rather informal // I do not remember that I have said no to anybody proposed by the unit. Of course I can see what happens if I do not get enough experienced personnel. To have one to two new comers in the project team is ok, but if I need experienced people then it means I need to contribute a lot of time and attention to these new comers. (Project Manager Case 2)

The HR tasks of the project manager also include managing the group effectively and encompass monitoring how people are coping on a project and considering issues like motivation, development, work stress and well-being. One Project Manager told us:

HR roles/…/I do have a multitude of HR roles/…/Well, one, coaching and supporting his daily job, and that is done on a daily or weekly basis depending on… and that means that we talk on his personal stuff, it pops up at least once a month, starting off with the question: is it too busy, do you need help, how can I help you? While you’re managing you’re still helping. Please go away, go home, you have done your 40 hours, it is now Wednesday afternoon, be gone, go home, rest. (Project Manager Case 1)

Another project manager said,

[W]e have a project with several team members. We also should create really a team/…/to create a real team/…/A team is more than just telling someone what to do/…/those kinds of things, motivation (Project Manager Case 2)
A project manager from Case 2 pointed out how important ‘people management’ is in projects as a source of motivation for the project team member, and also explained why she takes on HR responsibilities to develop and support others in their development.

I enjoy developing people!//For instance a project contributor, who was only responsible for a single work package was very enthusiastic, wanted to learn and was using project management terms the right away. I thought ‘she has just joined the project and is eager to learn’ [so] I supported her to get the appropriate training. She was in the accounts department and now she is in the product development department and works in projects as a project team member. She has found her way. (Project Manager Case 2).

Another project manager from Case 2 said:

People like to work in my project team. The fact I provide learning opportunities for them is an incentive. Yes, there are people who feel more related to the line than to the project. It is difficult to get them on board. [But] in my projects I have never had to change a project team member. (Project Manager Case 2).

The issue of employee well-being, and the role of different types of managers to try and ensure employees are looked after and helped with their problems, is complicated in a multi-project environment. According to one project employee from Case 1, the fact that employees work on multiple projects means that

[We] have no fixed contact where [we] can address the problem. We have the project managers, we have the line managers, we have the colleagues. I think all could be a possibility to speak first to [if we have a problem] (Project Member Case 1).

A project manager from Case 1 echoed this sentiment from the project manager’s perspective when he said:

Within our department we have sub-departments and within the project team there’s maybe one or two members of a sub-department, the others don’t know each other. Some [people] work externally, we have external team members, some work in [name of another subsidiary location] that’s another venue, some work in [name of another subsidiary location] or in the IT department. So they’re not working so close together, they work in the same team but they have their own work package. In our department it’s, most times, the function of the line manager that will take care of the team members when they have a problem (Project Manager Case 1).

In Case 4 HRM on projects is considered as core to the project success and the practices we observed were among the most well worked out in the study. The development of the project team as a whole is considered as important as the development of individual project members and project managers take responsibility for developing personnel on projects. Learning and
development are integrated into daily project work. The project manager is supported by coaches from the Project Academy who help to establish and develop the project team. Reflection and feedback are also organized on the project. The well being of employees is also an important issue on the project. The challenge for Case Company 4 is in protecting employee well being in an environment where project personnel are very motivated and eager to make the mission a success, and show extremely high levels of task orientation which often results in project personnel becoming overworked and in some cases burnt out. Case Company 4 is trying to deal with this issue by always assigning either a task oriented project manager and a people oriented deputy to the project or the other way around and ensuring that employee well-being is the main focus of at least one of the project management team.

To summarize, in all four case companies, project managers tend to have project specific HR responsibilities on the project. We observed HRM practices beyond the line, including the establishment and development of the project team by project managers; the assignment of project participants to the project. Project managers in our study are responsible for resource planning and finding the adequate project participants for the project. Project managers are also either formally or informally involved in the performance appraisal process, although this is clearly a source of variation in our companies with some practices to involve project managers very well established while projects managers are largely excluded by line managers in other cases. Finally, project managers are involved in dispersing staff from projects either by nominating them for new projects, hoarding them for future projects, or sending them to the bench when there are no new projects for them at the end of the current project.

Discussion
In all four cases, the HRM department, line managers, and project managers share HRM responsibilities. Additionally in three out of the four cases, line managers have the lion’s share of HR responsibilities and are now routinely handling most aspects of recruitment and selection, performance appraisal, training, development and rewards as well as bureaucratic aspects of absenteeism, and longer-term aspects of career management. In case 4 the project manager has more responsibility for HRM than the line manager, which shows that there are diverse ways for organizations to configure the emergent balance between the three main
parties in the organizations involved in HRM. In all four companies on line and self-service facilities play a significant role in how human resources are managed, and line managers generally have access to increasingly sophisticated online HR resources. Their reliance on the HRM department and HRM specialists directly varies from company to company but the trend is toward decreasing reliance on direct face to face support in handling HRM issues.

Concerns have been voiced in all four companies regarding the role of line managers in managing people. From the line managers perspective, the workload involved is a major concern. In case 1, we saw that the span of control for people care managers is large, and the result is that human resource management is perceived as boiling down to form-filling for quarterly performance reviews while qualitatively rich support for employee development and well being suffers as a result. Project managers have also voiced their concerns that what people care managers do is far, in their minds, from caring for people. Combining their technical roles with these increasingly expansive HR roles is clearly an issue for some line managers we encountered. Access to HR specialists, directly as opposed only to on line, seems to be an important issue with how comfortable line and projects managers are carrying out their HRM roles. In Case 3, line and project managers have considerable support from HRM specialists, while in Case 1 there trend is in the opposite direction.

The project manager’s HR responsibilities are broadly similar across the four case companies, but the recognition and facilitation of project managers HRM tasks is still in its infancy in some companies while significant progress has been made in others, notably in case 4. The assignment of personnel to projects emerged as the critical HR practice for project managers in all four companies. With the continual reconfiguration of personnel into new projects, assignment directly affects the way projects are managed and can in fact make or break a project. Assignment also affects project personnel in terms of their career development, learning opportunities and advancement in the company as well as having a strong influence on work life balance.

We found considerable variation in our companies in terms of support for handling assignment from the HRM department. The main differences relate to how formal the assignment process
is and also how well supported by an organizational or business unit database for showing who, with what skills and expertise, is available for project assignment at any time. While some of the companies are experimenting with resource databases to facilitate effective assignment, this is not the case in all four companies. Even where a database exists, project managers find it easier and faster to simply approach people personally and are likely to approach the same people over and over. Lack of transparency about project assignment could mean these practices are questionable in terms of inclusion (with some people locked out of assignment opportunities simply because they are not on the project managers radar) and also diversity. The importance of assignment of project participants as a key HRM task has been largely overlooked in the HR literature and these issues are not given the attention required in an increasingly project-oriented economy.

Project managers also play a key role in evaluating the performance of project personnel, but tensions emerge because line managers don’t seem to recognize the achievements of the project participant sufficiently during performance appraisals, and do not always actively involve project managers in appraising the performance of project participants. In Case 4, where project managers play a dominant role in managing human resource practices, and line managers play a secondary role, we see practices in place to enhance the role of the project manager as human resource manager, and also to balance the tensions emanating from the project and line organizations. Efforts are made to balance the technical and people aspects of managing projects by appointing project managers whose strengths (technical versus people oriented) are complimentary and in so doing trying to balance the different pressures on the project to achieve goals in terms of time, cost and quality of projects as well as the needs of employees in terms of short and long term development and also quality of work life on projects.

Project managers have been stereotyped as more often concentrate on the immediate task and performance demands of the project in mind and being less concerned with the development and learning of employees on their projects. What is less clear is whether this happens because of some kind of orientation on behalf of project managers, or because they are denied operational responsibility for these HR practices and therefore resources, including time, to
concentrate on these issues. While we cannot answer this question based on our study, the results seem to be that the longer term and supra-project development of project participants is a concern in these companies. Concerns arising from the lack of support and formalization of project manager feedback include leakage of information from project managers about employee performance on projects that may slow career progress and also damage employee motivation.

HRM practitioners in our case studies are often not aware of the ways in which project managers contribute to effective HRM, and are more attuned to and supportive of the HRM aspects of line management work. The more aware the HRM department is of project-orientation as a key company strategy, as in case 4, the more the HRM department explicitly acknowledges and supports project managers in carrying out their HRM tasks. Balancing the tensions between the short term and longer term aspects of project manager’s HR responsibilities, and the effects these have on employee’s motivation and career development, could be achieved by recognizing the kinds of HR tasks project managers do, particularly in the area of assignment and feedback on performance.

Our case studies also suggest that in all four companies, the roles of line managers and projects managers dwarf the roles of the HRM department and that the tendency is towards greater devolution to the line and beyond, and the use of HR technologies to service employees. In this way our findings dovetail with research suggesting a tendency for the HR department to perform fewer HR tasks and to devolve these more as well as diversity in practice as to how this is done (Mayerhofer, et al 2011).

To summarize then, The HRM responsibilities of different types of managers in POCs is an issue that is generally ignored by the HRM literature. Project-orientation is a useful contextual indicator that contributes to the diversity of HRM configurations in contemporary organizations and deserves more attention. The overall picture to emerge from these cases is that HRM specialists need to see the distribution of HRM responsibilities in POCs as a balancing act, and to position themselves to guide and advise managers from both the line and the project organization in their respective roles as managers of people, as well as advising
senior management on the emerging balance and and helping to ensure sufficient attention is paid to those issues likely to be underemphasized by the prevailing key players, be they the line managers, or the project managers. There is a potentially powerful advisory role for HR specialists in POCs. However, it is a role that is filled in differently from case to case, as is consistent with the diversity in HRM practice, with which are familiar.

In conclusion then, the findings suggest that the ways these roles combine to produce the HRM configuration is not optimal in these case companies due to a lack of clarity about the roles played, the responsibilities held and the way these come together in the eyes of both employees and managers involved. Our case studies also indicate that despite some common trends, project-orientation contributes to a diversity of HRM practices in these organizations. The project-orientation of these four companies we studied is coupled with the devolution – formally or informally - of HR practices beyond line managers to project managers. Making these practices visible and mapping them in different companies is one of the contributions of this paper. Assignment to projects and appraisal of project personnel are key practices carried out by project managers, and are treated in different ways in these four companies. In some cases HRM supports these efforts, in other cases line managers dominate the process and effectively exclude or limit the role the project manager can play. As we have seen, to the extent that this prevents project managers performing these roles effectively, and damages employee career progression and well being, one can argue the balance needs to be examined and possibly changed. The emergence of an effective HRM configuration should not be thwarted by ineffective interaction between the permanent and temporary organizations and the main players therein.

Future Research
This is exploratory research in a small number of companies, and we cannot generalize from these findings to other POCs. However, our findings suggest a number of areas where future research might be fruitful. One area is the need to more carefully assess the effects of project-orientation on the devolution of HRM responsibilities in as much as they go beyond the line. In the first place, the contribution of project managers to longer-term employee development and to assignment of personnel to projects warrants attention. Our case studies suggest that where
the organizational balance of power lies with the line organization as opposed to the project organization, the project manager’s HRM responsibilities issues are often not recognized by the HR department and are handled in a rather informal and uneven basis by both line and project managers. Cost pressures are leading to smaller HRM departments and the stepping back of HRM personnel from day to day HR tasks. The involvement of HR specialists in issues like project assignment, performance appraisal and employee well being and development could offer a solution to the loss of alignment that can occur when line managers are primarily responsible for issues that project managers can better see and evaluate including the performance, well-being of the project participants. The tension between temporary and permanent structures in the project-oriented company calls for a careful interplay of HRM players to protect employees confronted with multiple project assignments and a disparate system for monitoring and managing performance. The social setting of project-oriented companies that is more complex than that of traditional line organizations and HRM could play a greater role in balancing line and project aspects of employees jobs and careers. Our findings indicate that organizations struggle to find the balance of HR-Line-Project responsibility for HRM practice. Future research in this area is warranted and could offer solutions for some of these dilemmas and in particular, could point to an important advisory role of the HRM department in POCs as it enables an emergent balance that is effective for the POC as it changes over time.
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