

# Power and influence of IT and HR departments within the manufacturing industry

# Ву

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#### **ABSTRACT**

Academic literature found that HR and IT departments often lack power and influence within their organisations leading to sub-optimal performance of the organisations. The purpose of this research was to explore power and influence of HR and IT departments within the manufacturing industry, so as to gain an understanding of the enablers and inhibitors driving these levels. This will enable managers and executives to make better use of these drivers in order to improve not only the performance of the HR or the IT department but also overall business performance.

A qualitative exploratory approach was adopted to identify new insights into the power and influence of the HR and IT departments. Semi-structured, in-depth interviews were conducted with managers and executives within an HR or an IT department, covering eight sectors within the manufacturing industry, located in the Gauteng area, South Africa. Thematic content analysis was used to analyse each interview.

This study found that departments are perceived to be in a position of power and influence when they have a formal form of power, such as legitimate power or when they make use of legitimating tactics to influence others. HR departments often lack power and influence. Some IT departments have power and influence, and some do not. This is ascribed to the transforming of IT department power and influence due to the rapidly changing IT environment. The CEO, top management, expertise, metrics, technology and policies and procedures were identified as constructs enabling or inhibiting the power and influence of both HR and IT departments. These constructs affect the credibility of a department and impact on the co-operation and integration with other departments. The findings of this study add to the literature in the field of power and influence.

# **KEYWORDS**

Power

Influence

Human Resource (HR)

Information Technology (IT)

# **DECLARATION**

I declare that this research project is my own work. It is submitted in partial fulfilment of the requirements for the degree of Master of Business Administration at the Gordon Institute of Business Science, University of Pretoria. It has not been submitted before for any degree or examination in any other University. I further declare that I have obtained the necessary authorisation and consent to carry out this research.

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7 November 2018

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#### **CHAPTER 1: INTRODUCTION TO RESEARCH PROBLEM**

# 1.1 Introduction to the research problem

The issue of departmental power and influence is often raised within organisations. Frustrations of support departments emanating from the lack of power and influence are common within the manufacturing industry. Academic literature highlights a sense of a need for greater power and influence for support departments, such as the HR and IT departments (Feng, Morgan & Rego, 2015).

The power of a department within an organisation can be defined as the ability of that department to influence other departments or individuals within the organisation. Departments with more power and influence have greater decision-making authority and have more control over the actions of other departments and individuals (Feng et al., 2015; Brass & Burkhardt, 1993).

Departmental power is not obtained through the personal traits of individual employees or managers within the department. Instead, it is obtained from the position that the department has within the organisational structure and the hierarchical authority that exists (Feng et al., 2015). If departmental power and influence are mostly based on the position that the department has and the hierarchical authority, not all departments will enjoy power and influence within an organisation. To this point, Comstock, Gulati & Liguori (2010) argued that some departments are at best viewed as a support function and at worst, an overhead.

Sheehan, De Cieri, Cooper & Brooks (2014) argue that HR departments have low structural power. Even though organisations often declare that human resources and the HR department are important, HR is often excluded when organisational decisions affecting the HR department are being made, and when strategic organisational discussions are taking place. At times, HR even has limited influence on HR policies and other HR practices (Aldrich, Dietz, Clark & Hamilton, 2015; Chadwick, Super & Kwon, 2015; Petrovic, Saridakis & Johnstone, 2018). Some studies have highlighted that the HR department is at times openly dismissed (Aldrich et al., 2015; Stirpe, Trullen & Bonache, 2013). Similar to HR departments, IT departments generally do not possess hierarchical power (Ngwenyama & Nielsen, 2014). However, over the last 30 years, the power and influence of the IT department transitioned from minimal to moderate and are still increasing as IT is becoming increasingly prominent within organisations (Lucas & Palley, 1986; Setterstrom & Pearson, 2009; Setterstrom & Pearson, 2013).

Unfortunately, it is still widely accepted that the power and influence of the IT department are often lacking (Setterstrom & Pearson, 2013; Ngwenyama & Nielsen, 2014).

The level of power and influence of HR and IT departments are a concern when one realise the impact that these departments can have on overall business performance. Stirpe et al. (2013) are of the opinion that HR departments improve organisational performance through their practices and innovations, resulting in improved employee attitudes and behaviours. Extensive empirical research showed a positive relationship between the use of suitable HR programs and various organisational performance outcomes (Arthur, Herdman & Yang, 2016). Sufficient proof indicates that human resource management practices have the ability to improve financial performance (Beer, 2015). In terms of IT departments, Luftman, Lyytinen & Zvi (2017) state that "alignment between business and IT can be instrumental in improving organisational performance" (p.7). A number of recent studies highlighted that IT might be a key role player in enabling the business strategy of the organisation and therefore it is of the utmost importance to align the strategy of the IT department to the strategy of business, enabling improved business performance (Coltman, Tallon, Sharma & Queiroz, 2015; Wu, Straub & Liang, 2015; Luftman et al., 2017). A meta-analysis reviewing 30 years of research found that IT can improve the overall business performance, provided that there is proper alignment between IT and the business strategy. The profitability of the organisation could increase, generating sustainable competitive advantage (Gerow, Grover, Thatcher & Roth, 2014).

It can thus be concluded that HR and IT departments can have a noticeable impact on the overall performance of an organisation, but unfortunately, often do not have the power and influence to make such an impact. Furthermore, the literature on the power and influence of HR and IT departments within the manufacturing industry is limited, which raises the question whether these departments have similar levels of power and influence as being argued in academic literature. In addition, the need for a study to understand the factors that predict the power and influence of functional departments has been identified in recent research (Feng et al., 2015). Sturm & Antonakis (2015) recommended future research to understand the way in which power is lost or gained within an organisation.

# 1.2 Research problem

The purpose of this research is to explore departmental power and influence within the manufacturing industry and to gain a deeper understanding of the levels of power and influence of the HR and IT departments, as well as the enablers and inhibitors driving these levels

Sturm & Antonakis (2015) argued that "the full extent of power's consequences on interactions within organisations are not fully understood" (p.136). In addition, little has been researched on the effects of power and influence in a group context (Hildreth & Anderson, 2016). This study would contribute to the academic understanding of power and influence within a group context, specifically focusing on HR and IT departments within manufacturing organisations. Thus, contributing to the understanding of power and influence in both the organisational and the group context.

Establishing the enablers and inhibitors of power and influence will empower managers within the HR and IT departments to place greater emphasis on these factors which, according to research, can improve the overall business performance once the departments gain more power and influence (Luftman et al., 2017; Wu et al., 2015; Arthur et al., 2016; Beer, 2015). The need for a study to understand the factors that predict the power and influence of functional departments has been identified in recent research (Feng et al., 2015). This study would thus not only assist managers to drive departmental power and influence but would also contribute to the academic understanding of the enablers and inhibitors that drive power and influence.

Comparing the enablers and inhibitors for the HR and IT departments will provide insights into the differences that these departments experience when it comes to the level of power and influence, as well as the enablers and inhibitors shaping the power and influence of these departments. Currently, it is not known if it would be a "one approach fits all" situation or not. This might be beneficial information defining possible future research.

# 1.3 Research purpose

This research aims to gain a deeper insight into the power and influence of IT and HR departments within manufacturing organisations and to gain an improved understanding of the enablers and inhibitors that shape the power and influence of these departments.

#### This research aims to:

- 1- Establish what it means to have departmental power and influence or lack of departmental power and influence in manufacturing organisations.
- 2- Identify whether IT and HR personnel perceive their departments to be in a position of power and influence within their organisation.
- 3- Establish what the enablers and inhibitors are that shapes the power and influence of IT and HR departments within manufacturing organisations.
- 4- Understand whether the enablers and inhibitors are different for IT and HR departments.

This research aims to benefit managers within the HR and IT departments of manufacturing organisations by providing insights into the enablers and inhibitors that shape the power and influence of their departments. In the rapidly changing IT environment, previous work on the power and influence of IT departments might be dated, and the activities that IT departments are performing to gain power should be investigated to understand the current situation (Setterstrom & Pearson, 2013). In addition, this research aims to benefit manufacturing organisations in providing understanding into some of the means of improving overall business performance.

#### **CHAPTER 2: LITERATURE REVIEW**

#### 2.1 Introduction

The Literature Review provided a definition of power and a breakdown of the different power bases. Generic influence tactics were discussed and compared with the power bases to understand the relationship between power and influence. The power and influence within organisations with a specific focus on the HR and IT departments were explored. Five major themes were identified as enabling or inhibiting the power and influence of support departments such as HR and IT. These themes included the role of the CEO; the role of top management; the role of expertise, the role of departmental metrics; and lastly the co-operation and integration with other departments. The literature review presents various explanations of the five themes, where each theme was reviewed thoroughly to retrieve information for the formulation of the research questions in Chapter 3.

#### 2.2 Power and Influence

# 2.2.1 Definition of power

Power is generally defined as the capacity or potential that one entity has to influence another entity's behaviour. The intended outcome of this influence is usually a change in behaviour or some form of action (Bierstedt, 1950; Dahl, 1957; French & Raven, 1959; Sturm & Antonakis, 2015; Yukl, Kim & Falbe, 1996).

French & Raven (1959) referred to five bases of power that have been grouped into personal and formal power groupings. Coercive power, reward power and legitimate power form part of the formal power grouping and originate from hierarchal structures in the workplace. Expert power and referent power fall under the personal power grouping, which deals with an individual's personality traits or the expertise that a person possesses (French & Raven, 1959; Robbins & Judge, 2015). Benfari, Wilkinson & Orth (1986) defined power as: "the capacity to influence the behaviour of others" (Benfari et al., 1986, p. 12) and discussed eight behavioural bases of power that can be used to influence individuals or groups, namely reward, coercion, authority, information, group, referent, expert and affiliation (Benfari et al., 1986).

#### 2.2.2 Influence tactics

Kipnis, Schmidt & Wilkinson (1980) initiated research which looked at how employees influence their managers, peers and subordinates to achieve certain outcomes. Kreitner and Kinicki (2001) refined the study that was conducted on influence and developed nine generic influence tactics. These generic influence tactics are rational persuasion, inspirational appeals, consultation, ingratiation, personal appeals, exchange, coalition tactics, pressure and legitimating tactics. According to research, people will either commit, comply or resist influence, where commitment is the sought after outcome and resistance indicate a failed influence attempt (Kreitner & Kinicki, 2001). In 2008, Yukl, Seifert and Chavez defined 11 proactive influence tactics. These included the nine tactics as described by Kreitner and Kinicki, with the addition of collaboration and apprising (Yukl, Seifert & Chavez, 2008).

The success of an influence attempt is affected by the influence tactic that is used. Influence tactics are grouped into proactive tactics, impression management tactics and political tactics (Yukl, Seifert & Chavez, 2008). A meta-analytic review of research conducted on influence tactics looked at the relationship between 11 influence tactics and the task-and relations-orientated outcomes. A positive relationship was found between outcomes and apprising, rational persuasion, collaboration, inspirational appeal, ingratiation and consultation. A negative relationship was found between outcomes and pressure (Lee, Han, Cheong, Kim & Yun, 2017).

#### 2.2.3 The relationship between power and influence

Over the years, some research on power and influence have grouped the two constructs where it is seen as existing collectively, however, another school of thought is that the two constructs should be kept apart (Bierstedt, 1950; Chen, 2018; French & Raven, 1959). Table 1 shows some distinctions and similarities between power and influence as highlighted in research.

Table 1: Comparison between power and influence

# Distinctions between power and influence

Power is coercive whereas influence is persuasive (Bierstedt, 1950)

Power entails submission, but influence is voluntary (Bierstedt, 1950)

Being in a position of power affects the chosen influence tactics. Influence tactics used directly affects the outcomes (Yukl, Kim & Falbe, 1996)

Power is the capability to get someone to do something. Influence is the ability to change a belief without sanctions. (Chen, 2018)

# Similarities between power and influence

Power is a potential influence. Influence is kinetic power (French & Raven, 1959)

Power can produce influence and influence can produce power (Willer, Lovaglia & Markovsky, 1997)

Power and influence exist in a binary relationship between the person applying it and the target (French & Raven, 1959). There is a complicated but intimate relationship between power and influence, and it would be found together in organisations and entities (Willer et al., 1997). Influence finds its source in a power base where the potential that one entity has to influence another entity can be defined as power. To this extent, Table 2 shows the different power bases and influence tactics as discussed in this literature review and provides a short description of each, indicating subtle differences between power and influence. It would have been challenging to observe and define the subtle differences between power and influence within the scope of this study. The focus of this study was not to understand and distinguish between power and influence. This study instead dealt with the overlap of influence and power and explored the power and influence of HR and IT departments within Manufacturing Organisations as such.

Table 2: Power bases and Influence tactics

•	ower (Benfari et al., 1986; Raven, 1959; Robbins & )	Influence tactics (Kreitner & Kinicki, 2001; Yukl, Seifert & Chavez, 2008)	
Coercive	Injuring physically or psychologically	Rational persuasion	Making use of facts or arguments that is logical
Reward	Positive strokes, awards, remuneration	Pressure	Demands, threats, frequent reminders
Legitimate/ Authority	The right to control due to position	Inspirational appeals	Arouse emotions or appeals to values
Referent	Respect, reciprocal identification, being liked	Consultation	Ask for suggestions, help or proposals
Expert	Knowledge, skill,	Ingratiation	Uses praise and flattery
Information	Having access to information that is not readily available	Personal appeals	Ask for support out of friendship or as a personal favour.
Group	Individuals coming together to interact with a problem	Exchange	Offers to reciprocate

Affiliation	Power is borrowed from a source that has authority	Coalition tactics	Enlists the aid of others
		Legitimating tactics	Establish the legitimacy or verify the authority to make a request
		Collaboration	Offer assistance or resources if target will carry out a request
		Apprising	Explains the personal benefit to the target

# 2.3 Power and Influence in Organisations

When an employee joins a new company, an observation of the complex system of power relations would be made, both consciously and subconsciously. Power is one of the components that make up the social systems in the workplace. It is expressed in many ways, from the way in which people speak and dress to the postures they adopt and many more (Anicich & Hirsh, 2017). Any social relationship or other interaction in an organisation might contain some form of power or influence, and the way in which people are controlled is affected by the interplay of power and influence. It is therefore important to study organisational power and influence and the effect thereof to form a better understanding of how organisations function (Teimouri, Izadpanah, Akbariani, Jenab, Khoury & Moslehpour, 2015).

Power in organisations may be present as a downward control (the power that a supervisor holds over his subordinates), an upward control (the power that a subordinate holds over his manager) or a lateral control (the power that two colleagues hold over each other) (De Wit, Scheepers, Ellemers, Sassenberg & Scholl, 2017). Similarly, influence processes can be categorised as downward, lateral and upward (Ngwenyama & Nielsen, 2014). Much research has been conducted on power and influence as a downward control where formal power exists in a manager, subordinate relationship (Brass & Burkhart, 1993; De Wit et al., 2017; Fast, Burris & Bartel, 2014). In these type of hierarchical relationships within organisations, employees in higher level positions can influence the behaviour of group members more than lower level employees. Typically, the formal forms of power where the manager has the potential to reward or punish, are used to influence subordinates, and some studies report this as a source of power that is seen as one of the strongest sources (Brass & Burkhardt, 1993; Bunderson, Van Der Vegt, Cantimur & Rink, 2016). In situations of upward or lateral control where peers or bosses have to be influenced, personal power forms such as the possession of

information or being an expert in the field are more important. (De Wit et al., 2017). Lateral control can also be impacted by inadequate resources and different goals and needs that are targeted by different departments where these often result in competition and power play (Setterstrom and Pearson, 2013).

# 2.4 Departmental Power and Influence

The different employees within a department may be employed on various levels within the organisation, but the power vested in a department to make strategic changes within the organisation can give the department, and thereby its employees, extensive power in the organisation (Greer, Van Bunderen & Yu, 2017). When comparing the formal power and the informal power sources as defined by French and Raven (1959), it was found that the effect of formal and informal power differ on an individual level (Hays & Bendersky, 2015). However, a recent meta-analysis found that on a team or departmental level, no differences were found among the power bases (Greer et al., 2017).

### 2.4.1 Power and Influence of HR departments

In many countries, HR is seen as a very powerful and influential function. It is argued that HR is one of the most powerful functions in India and it is seen as the track to the C-suite in Japan. The influence of HR is on the rise in Europe, and South-East Asia is investing in the development and training of their staff. On the contrary, the power and influence of HR departments are found to be low within the United States (Capelli, 2015). No information could be found on the power and influence of HR departments in South-Africa.

Annual reports often state that people are the most important asset of the company. The human resource function is seen as an important contributor to the performance of organisations. Beliefs about the importance of HR is widely held, and statements to this effect are made all too frequent. However, the exclusion of HR on organisational decisions and during strategic discussions is indicative of a low priority on the HR department of the organisation (Barney & Wright, 1998). An example of this is the approach that organisations follow when they have to reduce costs. Investment in people is usually one of the first things that are put on the table to cut costs. Headcount, training and wages are all looked at as a means to reduce costs (Barney & Wright, 1998).

The human resource strategy of an organisation should not only parallel, but also facilitate the strategic business plan implementation of the organisation. The HR strategy

should align with the business plan in such a way that it creates and ensures workforce capacity and establishes how the workforce should be organised to enable the achievement of the strategic objectives (Cascio, 2015). Unfortunately, it is frequently found that HR Executives are not being invited to strategic discussions and at times, decisions that have a direct impact on HR, are discussed and agreed on without an HR person at the table. At times, HR even has limited influence on the HR policies introduced within an organisation (Aldrich et al., 2015; Barney & Wright, 1998; Campbell, Coff & Kryscynski, 2012). In some research studies, the HR department is not mentioned at all when it comes to designing and implementing of HR practices, raising a concern about the strategic contribution of HR at board level and the overall lack of being a strategic business partner (Chadwick et al., 2015). The long-standing concern about the power, influence and legitimacy of the HR department within organisations brought about attempts among HR executives and managers to become more influential strategic business partners (Petrovic et al., 2018). In the Banking Industry, mention has been made of the seemingly strategic potential of the HR department. However, the HR department has been openly dismissed and criticised in banks like Citibank (Aldrich et al., 2015).

A study on the structural power of HR departments found that these departments have low structural power but that they do have access to other forms of power (Sheehan et al., 2014). Policies and procedures, credibility as well as the expertise of the HR personnel were found to be enablers for obtaining power and influence. However, the overall power and influence of the HR department are seen to be low (Farndale & Hope-Hailey, 2009; Sheehan et al., 2014).

# 2.4.2 Power and Influence of IT departments

Studies on the power and influence of IT departments found that these departments generally do not possess hierarchical power and can therefore not use this avenue to influence the behaviour and support of other departments (Lucas & Palley, 1986; Ngwenyama & Nielsen, 2014). The level of power of an IT department can be contributing to the failure rate of IT projects. Often, support from management is lacking and previous failures of IT projects are top of mind for both the IT department and other departments and managers, influencing the power and influence of this department even further (Ngwenyama & Nielsen, 2014).

As much as the IT department can obtain power and influence through other sources, historically, it is suggested that the power and influence of these departments have been

minimal (Lucas & Palley, 1986). Approximately 20 years after Lucas and Palley (1986) made this finding, research suggested that the power and influence of IT departments transitioned from minimal to moderate (Setterstrom & Pearson, 2009). IT became increasingly prominent within organisations, which lead to the assumption that the power and influence of IT departments would increase accordingly. However, as much as the power and influence increased, many forces counteracted this belief. With computers and cellular phones becoming available even to the man on the street, users believed in their capability and often found the advice of the IT department redundant (Setterstrom & Pearson, 2013).

Another school of thought supports the idea that the power and influence of the IT department increased over time. IT is becoming crucial in the processing of raw data into meaningful information. Sophisticated software is often used to obtain meaningful information from raw data in a way which would not be possible for individuals. This type of information becomes very useful to aid decision-making, identify opportunities within the business and to help with the formulation of strategies for the business (Setterstrom & Pearson, 2013). Another aspect that enables the IT department to obtain power and influence is its ability to provide real-time information. Real-time information can be used to improve processes within the organisation, enhance the effectiveness and efficiencies and improve logistics control. (Setterstrom & Pearson, 2013)

A longitudinal case study conducted by Ngwenyama & Nielsen (2014) looked at an organisation-wide IT change project which had to be implemented where the IT department had no formal authority, top management support was weak and historical failures of the IT department caused reputational damage to the department, resulting in scepticism towards the department and their initiatives. On face value, this change project was doomed for failure, but the use of influence processes resulted in successful implementation of the IT project. With the key influence processes being lateral, one of the key drivers for this success was the expertise and credibility of the change agents (Ngwenyama & Nielsen, 2014).

# 2.5 Enablers and inhibitors of departmental power and influence

# 2.5.1 The role of the CEO in departmental power and influence

Charan, Barton & Carey (2015) explained that it is a worldwide phenomenon for CEO's to see human resources as a challenge and ranked it as the eighth or ninth most important department within an organisation. CEO's are often distanced and dissatisfied with the HR department and human resource officers. However, the CEO is reliant on

HR to build and assign talent and to work on unleashing the energy of the organisation (Charan et al., 2015). Studies have shown that the CEO is key in elevating HR and in bridging the gaps that are preventing HR from becoming a strategic partner. Once HR is elevated to becoming a strategic partner, the department will move from implementing decisions that have already been made, to playing a key role in the organisational business decisions. This shift will allow organisations to benefit not only from its financial resources but also from its human resources. Organisations such as Marsh, Tata Communications and General Electric are good examples of organisations which acted on their commitment to the human resource portion of the organisation, to the benefit of the entire organisation (Charan et al., 2015).

Some studies found that departments have more power and influence when the background of the CEO is aligned with the departmental role (Homburg, Vomberg, Enke & Grimm, 2015). An IT department would, for example, have more power and influence when the CEO has a background in IT. Unfortunately, when departments are seeking more power and influence, it is not always possible to have a CEO with a background that is similar to the role of the department and other means of obtaining power and influence have to be found (Homburg et al., 2015).

The legitimacy and credibility of a department can be affected by the signals that are sent by the CEO of a company. The language used by the CEO, as well as the symbolic actions of the CEO may affect the way in which a department is received. Findings show that it may assist in making initiatives appear rational, legitimate and even desirable (Sheehan et al., 2014). Whenever top management adopts the philosophy and the stands of the CEO on a specific department, the power and influence of that department would be affected accordingly. The performance of a department can be predicted by the support received from the CEO (Aldrich et al., 2015). Where the CEO is setting a supportive tone towards a specific department, those departments have more power and influence. However, where the CEO does not support a department, that department struggles to convince top management of their value (Aldrich et al., 2015). Charan et al. (2015) argue that the CEO defines the role of the HR executive and influences the level of importance of the HR department drastically.

Furthermore, a lack of departmental accountability reduces the satisfaction of the CEO with that department, resulting in less support from not only the CEO but also from top management, reducing the influence of such a department within the organisation (Homburg et al., 2015).

# 2.5.2 The role of Top Management in departmental power and influence

Homburg et al. (2015) found that departmental influence may be enhanced by stronger support from top management. Departments would thus benefit from seeking ways to ensure support from the top management team (Homburg et al., 2015). Means of finding support include many aspects like the use of metrics that explain the departmental impact and the financial literacy of team members (Sheehan et al., 2014).

Studies have found that behavioural integration of top management teams within organisations promotes the willingness of those top management teams to support departmental initiatives (Sheehan et al., 2014). Where the behaviours of the top management team are not integrated, decision-making and information processing are not done collectively, resulting in HR, IT and other departments having to learn how to compete for power and influence (Petrovic et al., 2018).

All too commonly, it is found that the behaviour of groups of leaders, like a top management team, is not integrated. Three studies have found that groups that are made up of individuals in positions of high power, perform worse than other teams. Analysis showed that these groups performed worse because the individuals within the group were less focussed on the task at hand, information sharing among the individuals were less effective and power and status struggles existed (Hildreth & Anderson, 2016). The high-power individuals often felt anxious or even paranoid by the presence of their peers that are also high-power individuals, resulting in individuals acting aggressively to protect their own power. All individuals were trying to retain or even improve their own position of power (Greer et al., 2017). A group is not just a sum of the individual parts. If the individual parts are not working together very well, the performance of the group would be jeopardised. As much as the individuals within a top management team might be talented high performers, the performance of the group would depend on the cooperation of the members, whether the communication is effective and whether selfish interests are put aside for the good of the collective (Hildreth & Anderson, 2016). If the top management team fails to work together as a team, the damage to the organisation and individual teams can be profound (Greer et al., 2017).

The support and respect that a department gets from the top management team were found to play a huge role in the power and influence that a department enjoyed. Often, the behaviour of top management follows the behaviour of the CEO. Whenever the CEO support a department, top management is very likely to support the department as well (Aldrich et al., 2015). A study on the implementation of an IT project has found that top management might resist certain departmental initiatives due to personality clashes or

different opinions of business and personal priorities among the top management team. Weak support from top management was identified as a barrier to the success of the project implementation (Ngwenyama & Nielsen, 2014).

Furthermore, a lack of departmental accountability reduces the satisfaction of the top management team with that department, resulting in less support and thus, reducing the influence of such a department within the organisation (Homburg et al., 2015). The inability of a department to communicate its value relevance within an organisation might lead to budget cuts, which could reduce the scope of action of such a department and ultimately reduce its power and influence (Homburg et al., 2015).

Florkowski and Olivas-Luján (2016) found that the workforce often has negative perceptions of the HR department and HR is often hindered by limited power and influence. The perception of business about the ability of the HR department to be proactive or to be customer-focused is often very negative, and the transformation of HR into a strategic business partner has not materialised as yet. Another study concluded that forming part of the top management team does not necessarily guarantee participation in strategic business decisions. Representation at board level only have symbolic value and does not automatically provide power or influence (Aldrich et al., 2015).

#### 2.5.3 The role of Expertise in departmental power and influence

In situations of upward or lateral control where peers, other departments or bosses have to be influenced, personal power forms like the possession of information or being an expert in the field is an important means to obtain power and influence (De Wit et al., 2017). This is well aligned with the view of Petrovic et al. (2018) that the expertise of a department can potentially their power and influence in their relationship with the top management team.

Staffing a department with competent people can expand the influence of a department where expertise is seen as a resource that others depend on (Homburg et al., 2015). Providing an opportunity for staff without formal qualifications to obtain an academic education in the department's area of expertise can be an important lever of the power and influence of a department in the long-term (Homburg et al., 2015). Individuals within a department should be willing to shift the power to another individual within the department, depending on the task at hand as well as the expertise of individuals within a team. The power within the department would then be dynamic, rather than stable and would be an advantage to the overall departmental performance and power (Aime,

Humphrey, DeRue & Paul, 2014; Tarakci, Greer & Groenen, 2016). This is well aligned with the personal power base of expert power as described by French and Raven (1959). Keeping departmental expertise in-house instead of making use of outsourced resources was found to be crucial for maintaining departmental power and influence and becoming a business partner (Sheehan et al., 2014).

The financial literacy of HR Managers is important when seeking support from top management for departmental initiatives. Framing departmental initiatives in a language that top management understands and explaining the advantages to the overall business, will enhance the chances that top managers will be clear about the benefits, including the potential financial benefits of the initiative. Having a sound financial literacy can, therefore, enhance the power and influence of a department (Sheehan et al., 2014).

The core competencies of HR departments of high-performing organisations include the use of HR technology, strategic contribution, delivery on policies, the application of business knowledge and credibility obtained through a high standard of service delivered to internal clients (Aldrich et al., 2015). In pursuit of more strategic influence and becoming a business partner, HR departments have assumed an internal customer service role. In this role, the HR department assists with the translation of human resource initiatives into business results (Aldrich et al., 2015).

### 2.5.4 The role of Metrics in departmental power and influence

The type of information or data that departments are measuring and the way in which it is measured and presented can be seen as a potential source of power (Petrovic et al., 2018). Whenever a department made use of suitable metrics that showed the impact of the departmental initiatives on the overall business performance, it was well received by the top management team and resulted in support for the departmental activity and securing of strategic influence (Sheehan et al., 2014; Aldrich et al., 2015). An investigation into the influence of a department within an organisation has found a positive relationship between accountability in the form of metrics to the satisfaction of top management with the department, resulting in a greater influence of the department within the organisation. (Verhoef, Leeflang, Reiner, Natter, Baker, Grinstein & Saunders, 2011).

On the other hand, departments that were unable to communicate the value that they add to the business may have experienced budget cuts as a result, as well as reduced power and influence within the organisation (Tavassoli, Sorescu & Chandy, 2014). A department that cannot demonstrate and justify their impact on performance will lose its

power and influence to other departments that can demonstrate and justify their impact on performance. As an example, the Sales department would be able to show metrics such as sales growth. Results are readily visible in the short term, and the Sales department is, therefore, able to show its value relevance better than what the HR department would typically be able to do. Consequently, the Sales department might more easily receive support from top management than a department with less tangible metrics and longer-term results, which increases the influence of the Sales department (Homburg et al., 2015). Homburg et al. (2015) found that the most significant driver reducing the influence of departments within an organisation is their inability to communicate their influence on business performance. In addition, HR executives can often not explain, in economic terms, how the people of the organisation can provide a competitive advantage, and the role that the HR department plays in this process (Barney & Wright, 1998). Metrics do not provide substantial evidence and feedback of the benefits that support departments such as HR and IT bring to the business.

Another study found that, whenever support departments have efficient and accurate information systems, the board was more likely to seek the input of that department (Florkowski & Olivas-Luján, 2016). The support departments have to be able to access and use data effectively and communicate these metrics to the line managers, top management team as well as the board, resulting in increased influence of support departments on the business strategy as well as the board (Florkowski & Olivas-Luján, 2016). Another school of thought was that having board representation only has symbolic value and did not contribute to the power or influence of a support department (Aldrich et al., 2015).

#### 2.5.5 Co-operation and integration with other departments

A study conducted in Taiwan highlighted the importance of strategic alignment between business and the IT department. The study explained that IT might enable the organisational business strategy, by assisting the organisation to achieve its goals, resulting in the improvement of the performance of the business. However, empirical research on the factors that affect strategic alignment and their relative importance is still lagging (Wu et al., 2015). Some organisations are still unsure about how an IT department should align themselves strategically with the business objectives. Wu et al. (2015) stated that non-IT CEO's only started to realise how critical the alignment of IT with strategic business objectives is, as from the 2010's. Banker, Pavlou & Luftman (2011) argued that firms that aligned their structure in such a way that the chief

information officer report to the CEO would reap the benefits regarding alignment and ultimately organisational performance (Wu et al., 2015). HR executives might obtain access to strategic business discussions and formulations through contact with the CEO and board appearance invitations (Florkovski & Olivas-Luján, 2016). Florkovski and Olivas-Luján (2016) felt that HR managers often had to assist boards, thus creating opportunities to interact with the board on strategic matters. Another school of thought was that representation at board level has symbolic value only (Aldrich et al., 2015). Furthermore, forming part of the top management team does not necessarily guarantee participation in strategic business decisions. Aldrich et al. (2015) found that the performance of the HR department had an impact on the view of the CEO of what the HR department could contribute to the achievement of the strategic business plan. However, the perception of business about the ability of the HR department to be proactive or to be customer-focused is often very negative, and the transformation of HR into a strategic business partner has not materialised as yet (Aldrich et al., 2015).

For a department to be strategically effective, the department needs to be influential when it comes to decisions relating to them. To be influential, they need to have support from top management and other internal clients. To secure this support, they need credibility. It is advisable for departments to build credibility because, without it, they might become irrelevant. "The pinnacle of HR's strategic influence is arriving when the HR professional is viewed as a 'credible activist' within their organisation: 'credible' as in respected, admired and listened to, and 'active' as in offering a point of view, taking a position, and challenging assumptions" (Aldrich et al., 2015, p.26). The view of top management about the value that could be added by a department is affected by the ability of the departmental managers to take the lead in discussions on areas where managers of other departments have limited skills, thus, relying on the expertise of individuals within the department (Sheehan et al., 2014).

#### 2.6 Conclusion

The literature review explained the relationship between power and influence where influence finds its source in a power base. The potential that one entity has to influence another entity can be defined as power. Power and influence exist in a binary relationship between the person applying it and the target (French & Raven, 1959). The focus of this study was not to understand and distinguish between power and influence but instead dealt with the overlap of influence and power on a departmental level within organisations.

The literature review showed that HR departments enjoy power and influence in some countries, but the majority of the literature indicated a lack of power and influence of these departments. No information could be found on the power and influence of HR departments in South African organisations. On the other hand, literature provided evidence that the power and influence of IT departments are gradually increasing over time. Based on the literature reviewed, this transformation process is at different levels for different countries and organisations.

Despite evidence in the literature of the enablers and inhibitors for departmental power and influence, mention has been made of the lack of understanding of the enablers and inhibitors. It, therefore, raises the question whether the list of enablers and inhibitors identified is complete.

# **CHAPTER 3: RESEARCH QUESTIONS**

# 3.1 Purpose of the research

The purpose of this research is to explore the power and influence of IT and HR departments within the manufacturing industry.

This research aims to answer three research questions that have been developed from the literature review.

# 3.2 Research questions

Research question 1

What does it mean to have power and influence or lack of power and influence in manufacturing organisations?

Research question 2

Do IT and HR personnel perceive of their departments as in position of power and influence within their organisation?

Research question 3(a)

What are the enablers and inhibitors that shape the power and influence of IT and HR departments within manufacturing organisations?

Research question 3(b)

Are the enablers and inhibitors different for IT and HR departments?

#### **CHAPTER 4: RESEARCH METHODOLOGY**

#### 4.1 Introduction

The decision on the approach adopted for the research was deemed important as it enabled informed decision making with regard to the research design. It also assisted with establishing the research strategies and research choices that suited the research and researcher best (Saunders, Lewis & Thornhill, 2016).

This chapter describes the research design and methodology that were adopted in this research. Based on the objectives of the research and the literature reviewed, a qualitative exploratory approach was adopted. This approach informed the research method and design, sampling methodology and data analysis process.

# 4.2 Research Philosophy

Research philosophy has to do with the development of knowledge through the undertaken research. Ontology as a section of philosophy deals with the nature of being or reality (Saunders, Lewis & Thornhill, 2016). As much as power and influence are intangible, it exists, are real and thus, warrant research. This study was aimed at exploring how support departments obtained power and influence within an organisation and focused specifically on IT and HR Departments within the manufacturing industry.

Epistemology as a branch of philosophy aims to discover the true meaning of knowledge. The epistemology that was employed is interpretivism in line with the definition by Saunders & Lewis (2012), which supports the need to understand differences between humans in their roles as social actors. It was necessary to enter the world of people in IT and HR Departments where the dynamics and processes were explored in order to gain a better understanding of the power and influence of these departments within manufacturing organisations.

# 4.3 Research Method and Design

The choice of method for this research was a mono-method whereas only a qualitative method was used to collect and analyse data (Saunders, Lewis & Thornhill, 2016). Qualitative research provides a means to study the complex world in a meaningful way and aims to answer the "how" and "why" of a certain phenomenon (McCusker & Gunaydin, 2015).

The purpose of this study was to discover new insights into an area where little research has been conducted before and to capture an in-depth understanding of power and influence within a specific setting. Saunders, Lewis & Thornhill (2016) explains that exploratory studies provide a means to understand a problem and to gain insights in a flexible and adaptable way where the focus initially is broad, but becomes progressively narrower. This research aimed to explore the power and influence of HR and IT departments in manufacturing organisations. Interviewing people in these departments enabled the researcher to ask questions and gain new insights. The purpose of this study was thus exploratory.

A cross-sectional research design (Saunders & Lewis, 2012) was used due to the time constraints caused by the research project timelines. Semi-structured in-depth interviews were conducted through face to face interaction with respondents. Each respondent was interviewed once and thus the research presents a snapshot at a particular point in time. With this research design, the expectation was not that future researchers would make similar findings, but rather to gain an understanding that circumstances are complex and changing (Saunders, Lewis & Thornhill, 2016).

The researcher took an inductive approach where data was collected with the aim of coming up with new insights into departmental power and influence in manufacturing organisations. Data were analysed to predict possible patterns in the way HR and IT departments obtain and use power and influence in manufacturing organisations with the aim to gain new insight from the data generated.

# 4.4 Population

The population describes the full set of cases from which a sample will be taken (Saunders, Lewis & Thornhill, 2016). These cases share mutual characteristics that are relevant to a research project (Zikmund, Babin, Carr & Griffin, 2013). The population that was identified as being relevant to this study included managers, senior managers and executives working within the HR or the IT Department of companies operating within the manufacturing industry of South Africa.

It is important to ensure that data is collected from the most accurate source to enable sufficient answering of the research questions (Zikmund, 2003). As much as this research deals with the power and influence of HR and IT Departments as a whole, the population only included staff members on managerial levels because of the strategic nature of some of the interview questions feeding into the research questions.

### 4.5 Sampling Method and Size

It would be impractical to interview the entire population due to time and budgetary constraints. Data was therefore collected from a sample of the population. A complete list of the population was not available and a sample could thus not be selected at random (Saunders & Lewis, 2012).

Non-probability, purposive sampling was used to identify respondents. This technique is well suited for inductive qualitative research as was the case with this study (Kohler, 2016). Sampling was conducted across seven different sectors within the manufacturing industry. This heterogeneous form of purposive sampling was used to ensure that the properties of the sample were sufficiently diverse, providing the maximum variation possible within the data collected to obtain a richer perspective (Saunders & Lewis, 2012).

As the study was qualitative in nature and there are no rules for establishing sample size when making use of non- probability purposive sampling (Saunders, Lewis & Thornhill, 2016), the researcher selected a total of 16 respondents. Unfortunately it was found that the third respondent was not working within the manufacturing industry and as a result, this interview was discarded as it did not fall within the identified population. The remaining 15 respondents represented seven companies and the split between HR and IT Departments within the various sectors are shown in Table 3.

Table 3: Sample breakdown

Department	Respondent number	Position	Sector within the Manufacturing Industry
IT	1	Senior Business Analyst	Metal Finishing
	4	Chief Information Officer	Metal Finishing
	6	Head: IT Operations	Cement
			Manufacturing
	8	Business Systems Executive	Processing equipment
	11	Chief Information Officer	Refining and Smelting
	12	IT Manager	Automotive
	13	Head of Department: IT	Printing
	14	Manager: IT	Printing
HR	2	Senior Human Resource Manager	Metal Finishing
	5	Human Capital Director	Water & Process Solutions
	7	Employee Relations Manager	Metal Finishing
	9	Group Human Resource Executive	Processing equipment

10	HR Executive	Refining and Smelting
15	Talent Management and	Automotive
	Culture Transformation Lead	
16	Human Resource Manager	Automotive

Data saturation is reached when any additional data collected provides few, if any, new insights (Flick, 2014; Saunders, Lewis & Thornhill, 2016). Code saturation and meaning saturation are two approaches that can be used to assess when saturation is reached. Code saturation will ensure that a comprehensive range of issues in data are captured whereas meaning saturation ensures that a richly textured understanding of those issues is achieved (Hennink, Kaiser & Marconi, 2017). Data saturation was reached at interview five for the IT Departments and at interview six for the HR Departments. Since additional interviews were already set up, a decision was made to complete those interviews.

# 4.6 Unit of Analysis

The unit of analysis refers to the objects that are researched as well as the level at which research is performed (Blumberg, Cooper & Schindler, 2008). For the research at hand, the unit of analysis was the individual respondents who were interviewed and their experiences and perceptions of departmental power and influence within their organisations.

#### 4.7 Data Collection Tool

One of the most useful and effective ways to conduct qualitative exploratory research is through the use of in-depth, semi-structured interviews (Aaker, Kumar & Day, 2004; Saunders & Lewis, 2012). This measurement instrument was found to be suitable because too little was known about the subject to construct a questionnaire. The aim was therefore to understand the experiences, opinions and attitudes of the respondents (Rowley, 2012). The interviewer had a list of themes to cover and made use of openended questions. The open-ended questions provided respondents with the opportunity to talk freely about the power and influence of departments within their organisations, resulting in rich data. It also allowed the researcher to encourage the respondents to expand on information shared, thereby creating opportunities for obtaining more detail (Hair, Bush & Ortinau, 2003; Saunders, Lewis & Thornhill, 2016).

An email was used to invite the identified individuals to partake in the interview. Once an individual agreed to participate, a meeting request was sent for a convenient time and place as indicated by the individual. A letter for permission to interview employees was

also emailed to the individual at this point. Appendix 1 shows this letter for permission. One interview took place at the workplace of the researcher on the request of the respondent. The remainder of the interviews were conducted at the respective offices of the respondents. Due to time constraints experienced by respondent 15 on the day of the arranged interview, the interviews for respondent 15 and 16 were combined and conducted at the same time at their place of work.

Prior to commencing with an interview, respondents were asked to review and sign a consent form. The consent form indicated that participation in the interview was voluntary and that the respondent may withdraw from the interview at any time. It further explained the confidential nature of the interview whereas neither the identity of the respondent, nor their company would be used in the research. The consent form that was used is given in Appendix 2.

Permission was asked from the respondents to record the interviews. Respondent 5 refused permission for recording due to a previous bad experience. As a result, only notes were taken for the interview with this respondent. All other interviews were recorded with permission from the respondents. The interviews varied in the time taken depending on the individual being interviewed. The shortest interview took 27 minutes and the longest interview took 56 minutes. On average interviews lasted approximately 40 minutes.

The key instrument used during the data collection was an interview guide which was aimed at stimulating discussion. The open-ended questions within this guide were derived from the major concepts identified during the literature review as discussed in Chapter 2 and thus ensured that the key themes were adequately covered. The open-ended questions within the interview guide were also compiled in response to the overarching research questions as set out in Chapter 3. Table 4 illustrates how the interview questions in the interview guide are mapped to the research questions. Appendix 3 contains the interview guide.

Table 4: Mapping of interview questions with research questions

Research questions	Interview questions	
Research question 1: What does it mean to have power and influence or lack of power and influence in manufacturing organisations?	When do you perceive a department as powerful and influential in your organisation and when do you perceive a department as having a lack of power and influence?	
Research question 2:  Do IT and HR  personnel perceive of their departments as in	How do you experience your department's level of power and influence within your organisation and why? What does this mean to you?	
position of power and influence within their organisation?	What power and influence does your department have to make strategic decisions and to make strategic contributions on board or executive level?	
Research question 3: What are the enablers	What are the things that, if you had that, your department would have more power and influence?	
and inhibitors that shape the power and influence of IT and HR	What are the things that are currently preventing your department from having more power and influence?	
departments within manufacturing organisations?	What impact does your CEO have on the power and influence of your department? Why would you say that?	
Research question 4: Are the enablers and	How do you think the educational background, personality, actions and language used by your CEO affect the power and influence of your department?	
inhibitors different for IT and HR departments?	How do you experience the behavioural integration (behaviours are coordinated and synchronised with each other) of the top management team and what impact does this have on your department's power and influence in the organisation?	
	How satisfied would you say, is top management with the performance and accountability of your department? What impact do you think that has on the power and influence of your department?	
	What is top management's belief about the extent to which your department can improve the business performance?	
	How valuable is your knowledge and expertise in your field as a means to obtain power and influence and why?	
	How would you describe the financial literacy of managers and senior staff in your department? How often is your department involved in financial decisions that affects the organisational business results?	

What type of metrics does your department have that can be used to show the value that your department add to the overall business performance? How does the metrics that you have, impact the power and influence of your department and why? How does business react towards your department when you are making proposals, coming up with initiatives or require work to be performed by other departments? Why? How does this affect your power and influence? How well does your department connect and understand the expectations of your key stakeholders and translate their needs into solutions? How do your customers feel about your performance as a department? How does this affect your power and influence? Is there anything else that you would like to tell me about the power and influence of your department?

Prior to the piloting of the study, the research was submitted to the Ethical Committee of the Gordon Institute of Business Science and all due processes were followed. The ethical clearance approval is included in Appendix 4. Thereafter, the interview questions were piloted to test the suitability of the questions regarding comprehension, clarity, reliability and verification of the content (Saunders & Lewis, 2012). A total of two pilot interviews were conducted and it was found that the open-ended questions in the interview guide were suitable for the research project.

# 4.8 Data Collection Methodology

The researcher gathered information on the companies and individuals to be researched prior to the interviews. Semi-structured interviews have the potential to be more biased when it comes to interviewer error. The interviewing skills of the researcher might also influence the interview responses obtained (Agee, 2009). Care was therefore taken to use reliable interview techniques that yielded authentic findings. The researcher was, for example, mindful to not impose her beliefs through the questions asked, tone, comments or non-verbal behaviour (Saunders, Lewis & Thornhill, 2016). The researcher dressed appropriately and made use of body language to show interest and professionalism (Saunders & Lewis, 2012). Limited notes were taken during interviews that were voice recorded which allowed the researcher to focus on the facilitation of the interviewing process.

At the beginning of the interview, the researcher provided background on herself, her interest in the study, explained the study and what is expected of the respondent as well as built rapport to ensure that the respondent was at ease with the process. Semi-structured interviews provided the opportunity for respondents to talk freely about the power and influence of departments within their organisations (Saunders, Lewis & Thornhill, 2016). Questions were asked from broad, open-ended to specific to ensure no leading questions were asked and that respondents had the opportunity to emphasise the issues that are important to them. The researcher was also mindful to interpret responses objectively. Probing questions were utilised to delve deeper into some information and inconsistencies that came up during interviews. Every interview was ended by allowing the respondent the opportunity to raise issues that might be relevant but not being addressed (Arsel, 2017).

# 4.9 Data Analysis

Qualitative data analysis was used to make sense of complex phenomena within the transcribed recordings and care was taken to follow a good data analysis approach to achieve an accurate interpretation of the qualitative data (Zikmund et al., 2013). Qualitative data analysis has been divided into stages or steps by many authors resulting in thematic content analysis (Flick, 2014; Kvale, 2007; Saldana, 2015).

The codes-to-theory model developed by Saldana (2015) was used to analyse data gathered during interviews. Voice recordings from the in-depth interviews were transcribed into a Microsoft Word format, converting qualitative audio data into qualitative text data. Notes that were taken during the interview of respondent 5 where the respondent refused recording, were also typed into a Microsoft Word format. During the next stage, significant phrases and interesting ideas that emerged from the data were coded in a systematic way. Microsoft Excel was used to code the data. Coding commenced as soon as transcribed text data became available, before all interviews were conducted. However, most of the coding took place after all the interviews were conducted. During the next stage, relationships and common meanings amongst codes were established and common codes were combined to form categories (Saldana, 2015). During the process of converting codes to categories, some sub-categories emerged and as a result, recoding and re-categorising of some of the codes were done. During the next stage, following the code-to-theory model of Saldana (2015), categories were compared and consolidated into thematic concepts. These themes were reviewed and refined where necessary. During the last stage, themes were reflected on and

compared with literature. On average, it took approximately five hours to analyse each interview, using the codes-to-theory model of Saldana (2015).

### 4.10 Data Validity and reliability

Due to the subjective nature of qualitative research, this method may present validity and reliability concerns (Zikmund et al., 2013). Validity is defined as the suitability and trustworthiness of the measurement instrument and the process that is used to obtain data. Biases such as interviewer bias might unintentionally exist (Saunders, Lewis & Thornhill, 2016). It is important to make use of validity procedures to ensure the authenticity and trustworthiness of results (Creswell & Miller, 2000).

One of the validity procedures is to make use of dense, rich descriptions (Creswell & Miller, 2000). Chapter 5 contains lengthy quotations of respondents' accounts to eliminate researcher bias on the interpretation of these accounts. These quotations were used to provide accurate illustrations of the respondent's thoughts. Another validity procedure that was used, was the audit trail (Creswell & Miller, 2000). A person external to this study that was not aware of the constructs of this study, was asked to provide unbiased feedback on the analysis of two of the interview transcripts. The third validity procedure used was peer debriefing (Creswell & Miller, 2000). The supervisor for this study reviewed the methods and findings of the researcher to challenge and elevate the thinking of the researcher and to reduce potential researcher bias. Lastly, the study made use of a standard set of semi-structured interview questions for all respondents throughout the process and respondents were given ample opportunity to talk freely as a means to assist in combatting interviewer bias.

#### 4.11 Research Limitations

By its nature, qualitative research is subjective and can be affected by various biases (Zikmund et al., 2013). Apart from the validity concerns already identified, the following limitations were identified:

- The respondents were selected by the researcher based on the researcher's accessibility to these individuals and the consideration of the suitability of these individuals to contribute to the research study.
- Response bias was considered as a possibility where Departmental Heads of IT
  or HR might have been too embarrassed to admit that their departments do not
  have power or influence as they might feel it is a reflection on them.

- The researcher had no formal training in administering interviews which could have had an impact on the data collection (Agee, 2009).
- Geographical bias could be a possibility as the respondents were all located within the Johannesburg region, which eased administering of face to face interviews, but possibly introduced bias.
- The cross-sectional nature of this research presents a snapshot at a particular point in time. In a different time frame, different responses might be obtained due to a change of circumstances like a change in leadership or during periods of restructuring.

#### **CHAPTER 5: RESULTS**

#### 5.1 Introduction

The purpose of this research was to explore the power and influence of HR and IT Departments within manufacturing organisations. The results of the study are presented in Chapter 5 according to the three research questions as set out in Chapter 3. Key findings and outcomes of the qualitative analysis of data collected through in-depth, face to face interviews are presented in this chapter. The content of interviews and themes that emerged from thematic data analysis are also discussed in this section.

## 5.2 Description of the Sample

A total of 15 interviews were conducted with 16 respondents. The interview with respondent three was discarded because it was found that this respondent was not working within the manufacturing industry as stipulated in the population of the methodology outlined in Chapter 4. No mention would be made of respondent three in the results, discussion or the findings going forward. Due to time constraints experienced by respondent 15 on the day of the arranged interview, the interviews of respondent 15 and 16 were combined. Hence, the interview answers of the one person might have affected the answers of the other person. Table 5 provides information on the number of respondents as well as the number of sectors covered in the manufacturing industry.

Table 5: Interview details

Description	Quantity
Number of respondents	15
Number of respondents working within the HR Department	7
Number of respondents working within the IT Department	8
Number of sectors within the manufacturing industry covered during the interviews	7

The respondents were assured of the confidentiality of the information obtained from the interviews and that neither the name of the company, nor the respondent would be mentioned in the research study. The confidential nature of the interviews allowed respondents to speak freely without being concerned about the consequences. In this regard, respondent five refused permission for recording due to a previous bad

experience where voice recognition was used to identify the individual. Hence, only notes were taken for the interview with this respondent.

The 14 interviews were conducted over a total period of 555 minutes, with the average length of an interview being 40 minutes. The detail of the interview duration is shown in Table 6.

**Table 6: Interview duration** 

Description	Quantity
Number of interviews	14
Total duration of interviews	555 minutes
Average duration	40 minutes
Shortest duration	27 minutes
Longest duration	56 minutes

#### 5.3 Presentation of results

An attempt was made to analyse data while interviews were conducted, however, most of the analysis was done after the completion of all the interviews. A thematic analysis process was followed and analysis was conducted on an interview by interview basis. Because of the inductive nature of the research, codes were elicited from the transcribed interviews, from which categories and themes were established. A list of themes, categories and codes per research question is shown in Appendix 5. Results per research question are presented below.

#### 5.4 Results for Research Question 1

Research Question 1: What does it mean to have power and influence or lack of power and influence in manufacturing organisations?

The aim of Research Question 1 was to explore the understanding of the concept of having or lacking power and influence within a manufacturing organisation from the perspective of the respondents. This wider understanding served as a preface to the narrowed down view of departmental power and influence addressed in Research Question 2 and lastly, the enablers and inhibitors for having departmental power and influence, addressed in Research Questions 3.

The first interview question dealt with the concept and meaning of having or lacking power and influence within the organisation of the respondent, on a departmental level.

### 5.4.1 What it means to have departmental power and influence

Following a thematic approach, responses were transcribed, coded and codes were grouped into categories. Table 7 illustrates the common understandings of what it means for a department to have power and influence in an organisation.

Table 7: What it means to have departmental power and influence

Rank	Construct – what it means to have power and influence	Frequency
1	Having a direct impact on business financial performance	7
2	Respected and trusted Departmental Head	6
3	Good credibility of the department	5
4	Having a strong departmental mandate	4
4	Having an impact on key business drivers	4
5	Ability to influence high level decisions	3
6	Board representation	1
6	Client facing	1

In analysing the constructs, it was evident that the ability to contribute to the financial performance of the business was seen as important and it gave a department power and influence within a manufacturing organisation. When asked what it means to have power and influence, Respondent 1 stated "when the department has a direct impact on the profitability of the business". Respondent 15 shared this view, stating "When they can influence decisions that could result in impact on the bottom line, I would say they are powerful. Because essentially you get into business to be commercial, right? To earn an income or earn revenue in business terms". Respondent 6 was of the opinion that the Financial Department is the powerful and influential department in the company because of the financial control it provides. Respondent 6 stated: "If I look at who is the powerful and influential department in our organisation I would clearly say it is driven from our Financial Department" "they can then control the organisation to say can we spend or can't we spend."

Only Respondent 9 mentioned the importance of board representation, stating that "a department that is on the board of directors would have more power and influence than a department that is not". Not only did the organisational structure came up in the form of board representation, but it was also mentioned in the form of the departmental head. Where board representation was focused on hierarchal structure, the departmental head was mentioned from a trust and respect perspective. Respondent 4 stated "if the person (departmental head) is trusted, then that department ultimately has powerful and influential on the organisation." Respondent 14 stated that power and influence "comes down to the personality of those who head up those departments". Having power and influence was also linked to "if the leader of the department has a reputation for being listened to" (Respondent 4). These constructs show the perception that organisational structure and the behaviour of people within these roles are levers of power and influence.

Furthermore, the credibility of the department as well as the mandate of the department were highlighted. It was mentioned that a department has power and influence when:

Respondent 8: "they can control or own the domain that they're responsible for – in their field of expertise." "Within their sphere of influence or of expertise, they have got the control. That empowers you".

Respondent 13: "I think it is when they are able to put their agenda at the centre of the organisation, meaning they clearly can articulate what they are about, what value they add in their business of that entity"

### 5.4.2 What it means to lack departmental power and influence

Table 8 illustrates the common understanding of what it means to lack power and influence.

Table 8: What it means to lack departmental power and influence

Rank	Construct – what it means to lack power and influence	Frequency
1	Poor relationships with other departments	5
2	Internal focus with low risk of reputational damage	4
3	Having no impact on business financial performance	3
3	Being reactive	3

4	Unclear departmental mandate	2
5	No impact on key business drivers	1
5	Inability to influence high level business decisions	1

Just as a contribution to the business financial performance created a perception of power and influence, the opposite was also reported on.

"Departments that cannot influence how profit is made, is not powerful or influential in a company" (Respondent 5).

"Because we are a cost centre, we don't bring money in, hence I'm saying we are not powerful and influential." (Respondent 6)

"If you don't bring money in, then you don't have power." (Respondent 6)

Some factors intrinsic to a department were mentioned as reasons for lacking departmental power and influence. Poor relationships with other departments where "there is a lack of power because there is not that commitment from them to you and you to them" (Respondent 4). Other departments "avoid working with you, I would say that would indicate a lack of power". (Respondent 8). Another factor intrinsic to the department is being reactive.

"A department that lacks power is order takers, they are being told what to focus on, what they should do, what they should not do" (Respondent 13)

"I guess when it (the department) is lagging behind and it is more like reactive" Respondent 15.

An unclear departmental mandate was seen as a reason for lacking power and respondent 13 stated that "A department that lacks power is frankly not clear of their mandate"

The level of exposure that a department gets was also found to be a reason for lacking power and influence.

"If you are more internal and less likely to cause any reputational damage to the business, there you tends to have less influence." Respondent 1.

"Departments that lack power are ... those that do not have the ability to influence decision making at the executive level" Respondent 14.

#### 5.5 Results for Research Question 2

Research Question 2: Do IT and HR personnel perceive of their departments as in position of power and influence within their organisation?

The aim of Research Question 2 was to identify the perceived levels of power and influence that IT and HR departments have within manufacturing organisations from the perspective of the respondents. Two interview questions were asked to obtain information to answer this research questions. These questions were:

- How do you experience your department's level of power and influence within your organisation and why? What does this mean to you?
- What power and influence does your department have to make strategic decisions and to make strategic contributions on board or executive level?

Figure 1 shows the high level results on the experience that respondents had of the power and influence of their departments. Respondent one to 15 were grouped into one of the three categories of having power and influence, having situational power and influence or having no power or influence. Three of the 15 respondents also made mention of the transformation from having less power and influence to having more power and influence. This transformation was included as an additional category. Each of these is discussed separately.

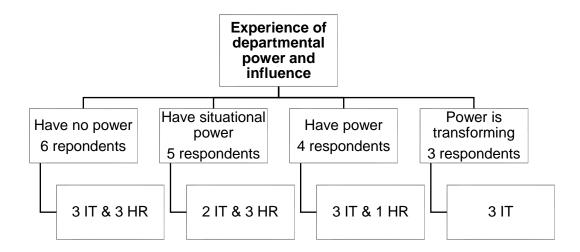


Figure 1: Experience of departmental power and influence

### 5.5.1 Departments with no power or influence

Six of the 15 respondents indicated that their departments do not have power or influence. Three of these respondents came from IT and three from HR.

"The level of our influence is low; IT is just the recipient of a request from business that it executes perfectly against – not just the type of request or the what, but the how." (Respondent 12)

"Because we are a cost centre, we don't bring money in, hence I'm saying we are not powerful and influential. If you don't bring money in, then you don't have power." (Respondent 6)

"That is a tricky one, because I mean if it the least powerful then you won't necessary will be around, I come back to say, and it is very unfortunate as well, IT is the least powerful. The reason why, over the years and as technology evolved, we see that people take things for granted. If you look at today anybody can use a mobile phone. It just works, it is technology, it is architecture. Everybody in the organisation think it is a simple button." (Respondent 6)

Table 9 illustrates the common understanding of why these respondents perceive their departments as not being powerful or influential.

Table 9: Constructs for having no power or influence

Rank	Construct – what created the perception that departments do not have power and influence	Frequency
1	Not a strategic business partner	11
2	Lack of stakeholder management and engagement	2
2	Being reactive	2
2	Reporting structure / inadequate access to board and executive level	2

Five of the six respondents felt that they are not a strategic business partner because they are excluded from business decisions or strategy creation. Examples of being excluded from business decisions are:

"there are a lot of business decisions that has been taken without IT's support on it" (Respondent 11)

"it will lack the influence and power because decisions are made without an HR input and you know one of our values is that people are so important but then sometimes you wonder" (Respondent 9)

Examples of being excluded from strategy creation are shown below.

"business does not expect or think about bringing in IT in the business line strategy.... the executive committee had an off-site strategic workshop for a couple of days, which I was rather disgruntled about not being part of, and so I have tried to extract information about the business strategy to align my plan for 2019, but it is not an active participation in the business" (Respondent 12)

"it is really how can we align to what business has already put down as their strategy" (Respondent 12)

### 5.5.2 Departments with situational power and influence

Five respondents indicated that their departments have power and influence at times as can be seen in the following quotations:

"So power shifts. One minute it is good, one minute it is bad" (Respondent10)

"In some cases it (power and influence) is good and some cases it is bad" (Respondent 4)

Table 10 illustrates the common understanding of why these departments have situational power and influence within their organisations.

Table 10: Constructs for having situational power and influence

Rank	Construct – what created the impression that departments have situational power and influence	Frequency
1	Access to board or executive level	5
2	Power and influence are dependent on the situation	4
3	Power and influence are dependent on the business unit that is dealt with	3
3	Lack of strategic business partnering	3
4	Requirement to comply with policies and procedures	2

Where respondents felt that their departments have access to executives or the board, there were a sense of having power and influence. "through him (CEO) we can get to the board, because if you don't have that from the CEO, then you become a loner in HR" (Respondent 10).

However, the reverse was also true. "Once the person on top is not seen to be too powerful within the executive team, then the power base is reduced. Typically, we ended up with a situation where the HR executive reported to another executive within the company, was removed from the EXCO and removed to somebody who has got no background of HR. And it became a bit of a difficult situation." (Respondent 7)

Some respondents reported that power and influence are situational where they have power and influence in some situations, but in others not. It was furthermore reported that power and influence could depend on the part of the business that you are dealing with.

"I would say it is situational, there are times when we get to a position of 'we need to deliver', it becomes more a power game" (Respondent 10)

"If ever we have an idea or a proposal, the influence and the seriousness and uptake from business, it's there, and they are actually willing to listen or participate. But then to other supporting departments, if we want to offer a service to another supporting department, it can happen or not happen. There we have frustration in terms of getting an uptake where we can influence them or where we can actually convince them." (Respondent 1)

The lack of strategic business partnering is a contributing factor to the fluctuation in having departmental power and influence. Respondents falling within the group that reported situational power and influence only reported on a lack of business partnering. None of the respondents mentioned that they are part of strategic business partnering. This is a theme that came out strongly under respondents that felt their departments have power and influence.

"one top manager once said, business dictates to IT and not the other way around" (Respondent 1)

"within HR, the power will only be in instances where if whatever initiative has got a direct impact on the productivity of the company. Other than that, any other initiative, my experience has been nobody really supports it." (Respondent 7)

### 5.5.3 Departments with power and influence

Four respondents indicated that their departments have power and influence of which one was from HR and the remaining three from IT.

"I think our department has a vast influence in the organisation" (Respondent 14)

"In general I feel our levels of power, or call it influence, is very good. We are well respected within the organisation." (Respondent 8)

"I think the level of influence and power is at the right level" (Respondent 1)

Table 11 illustrates the common understanding of why these departments have power and influence within their organisations.

Table 11: Constructs for having power and influence

Rank	Construct – what created the perception that departments have power and influence	Frequency
1	Strategic business partner	10
2	Influential relationships	2
3	Policies and procedures	1

The substantiations for having power and influence differed between HR and IT. The HR respondent indicated that "the power that our department has emanates from the purpose that the department exist for. The HR department does in order to exert its power, where the basis of power emanates from, we then develop policies and procedures which are tools that are used by the business." (Respondent 2). Policies and procedures were highlighted as the reason for having power and influence in HR. This data corresponds with the feedback from respondent 5, who stated that "without a requirement to comply with labour legislation and other requirements like policies, we would not have had power or influence". However, respondent 5 indicated situational power and influence.

The substantiations provided by IT respondents as to why their departments have power and influence were mainly centred around strategic business partnering. Respondents indicated that their departments are key in strategy decisions, execution, business continuation, and value creation.

"IT as a function is at the centre of the strategy execution of this company. I can tell you literally that IT has become a transformational element of (company name) in terms of strategy execution" (Respondent 13)

"we have a high level of influence on board level, we are represented in the executive committee, and you know often larger decisions affects the company for a long time, especially when it comes to the selection of systems and applications; we play a critical role there and we often put forward the proposals or motivations on behalf of the operating companies" (Respondent 8)

"We are not just here for support, but to create value." (Respondent 13)

"We are able to influence what decisions are taken at the meeting of the exec, or we are able to influence the technologies that are brought into the company, the technologies that are applied within the business. And often these technologies are labelled as supporting technologies or systems that bring value to the current business strategy." (Respondent 14)

## 5.5.4 Experience of transition of the degree of power and influence

A theme that became evident during the analysis of the data was that IT Departments are experiencing a period of transition from being told what to do and delivering a service to becoming business partners with important business contributions to be made. Three of the eight IT respondents interviewed have made mention of this.

"The level of our influence is low; But that is changing, but I think for the moment it is being internally driven, within IT; I think the other departments in (company name) still have to recognise that IT is different, it is still in the realm of service but it is enabling the business and it is moving away from a request recipient and executor, to an active participant and partner. And until we make that transition I think currently our power and influence is relatively low". (Respondent 12)

"What happened is ICT as a function some four years ago, frankly was at the bottom of the barrel. They were the laggards. Now ICT as a function is at the centre of the strategy execution of this company". (Respondent 13)

"In the last two years we were able to include enterprise architecture within the company's strategy as one of the strategic goals". (Respondent 14)

From the quotations, it can be seen that companies find themselves in different stages of the transition process.

### 5.6 Results for Research Question 3(a)

Research Question 3 (a): What are the enablers and inhibitors that shape the power and influence of IT and HR departments within manufacturing organisations?

The aim of Research Question 3(a) was to explore the enabling and the inhibiting factors that managers within HR and IT departments in manufacturing organisations perceive shaping the power and influence of these departments.

Seven high level constructs were identified as enabling and inhibiting the power and influence of HR and IT Departments. These constructs are depicted in Table 12. The role that these constructs play results in it being either an enabler or an inhibitor. Table 12 shows the seven constructs, the frequency that each construct was noted as being an enabler or an inhibitor, as well as the ranking of each of the constructs, ranking the enablers and inhibitors separately, based on the frequency.

Table 12: Constructs that enable or inhibit power and influence

Rank	Inhibitor - frequency	Construct	Enabler - frequency	Rank
3	38	CEO	56	1
1	71	Top Management	26	5
4	37	Expertise	27	4
5	24	Metrics	31	3
7	12	Technology	3	7
2	61	Co-operation and integration with other departments	42	2
6	17	Policies and procedures	4	6

The CEO was ranked as the number one enabler whereas Top Management was ranked as the number one inhibitor. The CEO forms part of the Top Management team and the high rating of these two constructs is an indicator of the importance of this group of people when it comes to power and influence of HR and IT Departments. The cooperation and integration of the HR and the IT departments with other departments was ranked the second highest as both an enabler and an inhibitor, suggesting the

importance of this construct when it comes to departmental power and influence. Each of the seven constructs is discussed below. Two of the seven constructs were unexpected findings. These are technology and policies and procedures.

#### 5.6.1 The role of the CEO

During the thematic analysis, it was found that the CEO plays an important role in the enabling and inhibiting of power and influence of HR and IT Departments within manufacturing organisations. The hierarchical position of the CEO was reported as giving him the ultimate power and as such, that his impact on departmental power and influence is "very high, very high. Because he is the ultimate boss." (Respondent 9). "The chief I think plays an important part to say 'I understand where HR comes from'". (Respondent 11) "Fundamentally if the CEO doesn't buy into the concept you are trying to sell or the capability you are trying to introduce, you are not going to be able to bring that to the business and therefore you fail at being able to sell whatever it is that you are offering. And the ability to sell fundamentally for me, is where the power comes in, because if we can't sell what we are trying to introduce into the business, we are not going to be able to sway direction, we won't have the power to sway direction." (Respondent 14)

The background, knowledge, experience, personality and language used by the CEO, as well as the involvement of the CEO with the department were found to impact the power and influence of HR and IT Departments.

Within the sample that was taken from the population, the CEOs of the respondents were predominantly coming from an engineering background. Since the population only included the manufacturing industry, this was understandable. The background of the CEO was experienced as an inhibitor by some respondents whereas others experienced it as an enabler as can be seen from the quotes in Table 13.

Table 13: The background of the CEO

Inhibitors	Enablers
Engineering background	Engineering background
"CEO has an engineering background and it is vastly different to the human resources management background and therefore unless something is communicated in terms of numbers or analysis or statistics, it takes a bit of time for him to understand the importance and	"Being an engineer, I think he is more comfortable with the process and systems environment, than maybe somebody who is not trained and naturally inclined on automation efficiency and that type of thing." (Respondent 8)

to quantify how it impact on the bottom	
line" (Respondent 2)	
"Our CEO has an Engineering	"with an engineering background it does
background. He is therefore mostly focus	make it easier to talk to from an IT
on numbers"	perspective and what's needed"
"The results that you do see is over a	(Respondent 4)
long term, but an engineer wants to see	
results yesterday" (Respondent 5)	

Three of the 15 respondents indicated that the knowledge and experience of the CEO is an enabler for power and influence whereas a total of two respondents indicated it to be an inhibitor. Table 14 provides some quotations explaining the impact of adequate and inadequate knowledge and experience.

Table 14: Knowledge and experience of the CEO

Inhibitors	Enablers
Inadequate knowledge and experience	Adequate knowledge and experience
"being an engineer and working in our company for so long and especially on the production side. He created this environment – and that is where the gap - where you can actually make cement and produce cement with very little IT systems in place" (Respondent 6)  "not often do you find that the CEO also has HR knowledge, at times you may find he is more production inclined" (Respondent 2)	"fortunately with the CE that we have got, he has been a champion in the OD (organisational development) space, so he understands that, so I think for us it becomes imperative because then when we speak the language he understands the language." (Respondent 10)  "the CEO understands and uses technology which helps for an easier conversation" (Respondent 4)
	"IT once reported to him at some point, so he has some background,and some understanding on certain things and he has a reference point that he can refer to. So in terms of then influence and how it affects the power within the department it is encouraging and we are not afraid to come up with ideas and motivate ideas and we have the ability to substantiate why, we have that ability" (Respondent 1)

Destructive and confusing language used by the CEO was reported as an inhibitor by four of the 15 respondents and four respondents mentioned that the motivating and constructive language used by the CEO enables the power and influence of their departments. The quotations in Table 15 provide examples of the enabling and inhibiting language that the CEO's of respondents used.

Table 15: Language used by the CEO

Inhibitors	Enablers
Destructive and confusing language used by the CEO	Constructive and motivating language used by the CEO
"the HR stuff is iffy" (Respondent 2)	"The CEO will say 'but you can't do without them' (HR)" (Participant 10)
"HR is underwhelming" (Respondent 7)	"he asked his team that they support our initiatives." (Participant 1)
"The CEO and the rest of business calls HR "Spenders"" (Respondent 5)	"He had made it to business to say 'you cannot do without HR, it is an important business layer'. And to me that alone has an impact in terms of business, because we are not seen as 'well they are there, but they are nothing else than an overhead; they just cost us money'." (Participant 10)
"you get these conflicting messages: one time everything is hunky dory, and another time things are collapsing. So you get confused messages" (Respondent 7)	"She verbalised our successes in meetings". (Respondent 13)
"It is very disappointing because then you ask yourself but what value am I adding to the organisation." "the whole team were very demoralised so it is demoralising, it is non-motivating, it is a disappointment, honestly." (Respondent 6)	

The personality of the CEO was mentioned by five respondents as an enabler of departmental power and influence. Table 16 shows quotations of respondents relating to the personality of the CEO. No mention was made of the CEO personality as an inhibitor.

Table 16: The personality of the CEO

Inhibitors	Enablers
	Personality of the CEO
	"his education and personality allow for you to make mistakes and you know that if you have made a mistake he will say 'okay, we have learnt from it, how can we do it differently?'" (Respondent 10)
	"soft issues you have to handle differently and I must say our CEO is actually very good on that." (Respondent 9)

"he does more mobily at home than he does internal, so that expectation of we should do more." Respondent 4"
"We have got a tech-savvy CEO, so he would understand and link the dots" (Respondent 8)

The involvement of the CEO with the HR or IT department in terms of providing support, being accessible and empowering the department was found to play a role in the power and influence of these departments. The power and influence of the department increased where the CEO was supportive, accessible to employees within the department and where he or she empowered the department. The inverse was also true as can be seen from the quotations in Table 17.

Table 17: Involvement of the CEO with the IT or HR departments

Inhibitors	Enablers
Inadequate involvement of CEO	Adequate involvement of CEO
"Right now, we are far removed from the CEO" "now we see him once in three months or something" "I don't see the power and influence, save to say sometimes certain decisions are made which we feel are untoward, and you feel as if you wanted that direct access to him" (Respondent 7)	"He has an open-door policy. You can ask him and walk into his office 34 times and he will listen. He is one of those, he listens" (Respondent 10)
"He is actually quite distanced from IT" (Respondent 11)	"He is in my office every day" (Respondent 5)
(He should show that HR is important, as financial issues are important" (Respondent 9)	"I think the CEO, one of the things is he has put in the systems or persuaded us to make sure that we become relevant" (Respondent 10)
"he (CEO) is more production inclined and therefore will place less importance on HR matters than on production matters and then you find that HR are limited in doing what they need to do because of the bias that the CEO may have." (Respondent 2)	"through him we can get to the board, because if you don't have that from the CE, then you become a loner in HR" (Respondent 10)
"we had to give monthly update or feedback on the scorecard, whereas I would say it would have had a more positive impact had it been run differently, in that we would give our feedback and when they (the exec team) made comments we were not allowed to respond (an instruction from the CEO)—which I found quite very, very disempowering, because some of the	"So the expectation and the support is there if we motivate and have a proper business case" (Respondent 4)

comments that were made were incorrect" (Respondent 7)	
	"it gave us motivation and confidence
	that when we do come up with innovative
	ideas that we want to introduce in the
	company he will support it if it is good
	ideas and they are well substantiated."
	(Respondent 1)
	"He will come and be the one who really
	drives and articulates the people
	objectives. Either when we have other
	engagement sessions, we had recently a
	Women's Day as well – and even on the
	Women's Day he came to open"
	(Respondent 15)

# **5.6.2 The role of Top Management**

Top Management was the most frequently mentioned inhibitor to obtaining power and influence within the HR and IT Departments. A total of 13 respondents indicated that the behaviour integration of top management is inadequate. From these respondents, one mentioned that top management behaviour is integrated at times, depending on the situation, while another three respondents indicated adequate behavioural integration, contradicting themselves. No respondents reported consistent, adequate behavioural integration. Table 18 shows some of the quotations obtained during the interviews.

Table 18: Behavioural integration of top management

Inhibitors	Enablers
Inadequate behavioural integration	Adequate behavioural integration
"Integration is a problematic thing because currently in our situation, we mainly have the silo mentality approach and therefore this limits our influence with the entire top management team" (Respondent 2)	"on certain projects and services, there is that collaboration and integration" (Respondent 1)
"My opinion is that top management is not aligned" (Respondent 6)	"there is a lot of collaboration, a lot of team interaction". (Respondent 10)
"It is very difficult to influence; if he (an MD within a group) has only got his silo (in mind) it doesn't matter what I say, I will not be able to influence, and I don't have the power to override him. There is only one person who can override it, his boss (the CEO)." (Respondent 9)	"I think often there is the most alignment at that level of what needs to be done, and often the least resistance" (Respondent 8)
"I need to be very careful on this one. Look, the perception from outside, based on the decisions that impact on us, some	"I think at EXCO level, within EXCO themselves, I think they are fairly well integrated" (Respondent 12)

of the decisions creates the perception	
that there is even power play within the executives themselves" (Respondent 7)	
"From our executive manager to the	
entire company's top management, the	
alignment is not there, the seriousness is	
not there, we are struggling to get	
influence there." (Respondent 1)	
"Our top management is not necessarily	
synchronised or coordinated; there does	
seem to be a bit of a power struggle	
almost. So what happens is you have	
one segment of the business wanting to	
go down a particular track and another	
segment wanting to go in opposition to	
that or a slightly different track. Where	
the challenge is then presented for our	
department, is our focus is then required	
to be split" "with a split focus we then	
start having integrity issues, integrity issues then mean that those in positions	
of power, executive committee for	
argument's sake, may start questioning	
whether or not we have the capabilities.	
And as soon as the executives start	
questioning our capability or ability to	
achieve, our power then reduces	
because we then aren't seen to be fit to	
execute" (Respondent 14)	
"it was very siloed. Frankly, sometimes	
very destructive and malicious, you know	
to an extent where it was designed to	
ensure that certain areas fail"	
(Respondent 13)	

Respondent 13 explained that the lack of behavioural integration at top management level inhibited the power and influence of the departments to such an extent that "IT was at that time an order taker, we have been told what to do – and today it is this, tomorrow it is that – so you literally have no influence at all. And as a result, that's why the risks profile and the perception of the department was literally right at the bottom of the barrel."

Lack of support and respect were experienced by nine respondents, while seven respondents made mention of adequate support and respect from top management. Table 19 depicts some examples of the support and respect, or inadequate support and respect mentioned during the interviews. Top Management experiencing HR or IT "as a nuisance" (Respondent 5) and "a stumbling block" (Respondent 2) contributed to a feeling of being "disempowered" (Respondent 7).

Table 19: Support and respect from top management

Inhibitors	Enablers
Inadequate support and respect	Adequate support and respect
"They sometimes experience us as a nuisance. We are struggling to get people to compile their KPI's and performance agreements. Only 30% was completed." (Respondent 5)  "where we have to decide or act against top management's wishes, perhaps at times as required by law, we are found to be a stumbling block" "In such instances we have negative feedback on our influence and contribution to the company's objectives." (Respondent 2)	"I do think that they believe we can help them, and often for improvement initiatives they would contact us and say: 'Help us with this and help us with that'" (Respondent 8)  "We got good support from our Heads of organisation helping us with influence. So how do we change all these things? Very simple. You got to get your leadership model to buy-into this model" (Respondent 6)
"there is no buy-in, the drive is not there. We don't have power, we don't have influence." (Respondent 1)	"I would say yes, very strong element of 'we are happy' but there is always room for 'how can we do better' (Respondent 10)
"you feel disempowered and sometimes you get instruction via the executive, HR executive, coming from EXCO, and you say 'but this cannot be right."  (Respondent 7)	

An equal amount of respondents indicated that top management believes that HR and IT Departments can and does contribute to business results, or not. Table 20 provides examples of these beliefs.

Table 20: Top management's belief that HR / IT can contribute to business results

Inhibitors	Enablers
Belief that HR / IT can contribute to business results – inadequate	Belief that HR / IT can contribute to business results – adequate
"Top Management don't always see the value that we add and it definitely reduces our power and influence. It is then said that HR is stopping the business from reaching business targets and results" (Respondent 5)	"there is a buy in from the top management to say employee engagement plays a vital role in improving business performance" (Respondent 7)
"I think the general feeling is that they are not as happy as we believe they are. I think what our stats say and the actual experience and the feeling, I think they are not quite satisfied with our service" (Respondent 1)	"I think they believe that HR has a role, they have strong support, because I think the exec that we have got, they believe that without HR, they would not achieve what they want; HR becomes a vehicle, HR becomes a tool, HR becomes an enabler to provide them with the needs from a human capital point of view and

	<u> </u>
	making sure that we get to achieve what
	we want." (Respondent 10)
"I think they are generally unsatisfied. I	"On issues that is pertinent to them (top
see it as a challenge, because I think it is	management)and we are able to resolve
diminishing our power and influence"	those, there is a feeling that we are
(Respondent 12)	accountable and we do influence
	performance" (Respondent 2)
"Look personally I do think that they still	"They do understand that we are able to
do not value our influence that high."	assist them in achieving their strategic
(Respondent 11)	objectives and as a technology
	department we play a big role in
	achieving that. So I do believe they have
	a lot of trust and faith in us to be able to
	assist them in improving business
	performance." (Respondent 14)

## 5.6.3 Expertise of people within the HR and IT Departments

Mixed feedback was received on the impact that expertise have on the power and influence of IT and HR Departments. The largest portion of respondents (12 of the 15) indicated that expertise plays a big role in the power and influence of these departments. Respondent 11 indicated that "it is absolutely critical". Respondent 14 said that "it is invaluable. If you have the incorrect expertise or capabilities or knowledge within your department, your department is not able to perform optimally, so therefore you need to have really well-skilled knowledgeable people working within your team, to achieve your objective". Respondent 16 indicated that "you need to have people who understand what they are doing, who understand what needs to be done at what point and how. It is very, very important." However, Respondent 12 felt that "it is important we have the right expertise and knowledge and that is vital for us in terms of our role, but in terms of whether it would really help improve the level of power and influence, I am not so sure and it comes back to what is determining the level of power and influence - so if it's that mandate that has been given by the organisation, then it is less perhaps about the technical knowledge and expertise". Two of the 15 respondents felt that expertise does not affect the power and influence of their departments, saying "currently, it is not affecting our power and influence". (Respondent 16)

Financial literacy was reported as an important means to obtain power and influence. However, only three respondents indicated an adequate level of financial literacy within their departments.

Table 21: The role of departmental expertise

Expertise of people within the HR and IT Departments	
Inhibitors	Enablers
Inadequate formal qualifications	Adequate formal qualifications
"A person working in HR that is not	"For me to ensure that I have a set of
qualified does not have the ability to	competent people, I invest heavily in
influence since business is aware that	education for them to make sure that
they do not have the formal training and	they are on the highest level of what the
expertise in the field." (Respondent 5)	industry is doing." (Respondent 6)
,	"we are graduates, and that is the level
	and it is very important" (Respondent 9)
Inadequate financial literacy and	Adequate financial literacy and
contribution to financial decisions	contribution to financial decisions
"on the financial management we are	"We have a very, very strong financial
actually lacking a lot; people don't look at	component" Respondent 8
it, they don't consider it" (Respondent 11)	·
"financial knowledge, I would say, is less	"We have one CA in my team, looking
than basic" (Respondent 9)	after the application support." "So, we
, ,	have a very, very strong in depth into the
	financial workings of the organisation"
	(Respondent 8)
"does not contribute to financial	
decisions. Our financial acumen is not at	
that level. " "Sometimes we get criticised	
by others for not contributing"	
(Respondent 5)	
"Our financial literacy is very poor."	
(Respondent 12)	
Inadequate skills and experience in	Expert in the field (IT or HR)
the field (IT or HR)	(C)
"The lack of expertise is killing us when it	"So knowledge is quite Should be of
comes to power and influence."	high class, to say, it is what I am giving
(Respondent 5)	as an advisor, the right advice."
"us tond to not always have all the abilla	(Respondent 7)
"we tend to not always have all the skills	"I believe that all of us are employed to
on site that we need so we are reliant on	add value to the business. And the only
suppliers and then that influences our	way you can do that is to provide that expert advice, especially in HR, providing
power and influence because your end user that you are supporting has to wait	that expert advice; because most of the
sometimes or does not get the answers	time you are not the final decision maker,
they need because you are limited in	whether it is recruitment or a case and all
your skills and resources" (Respondent	that, but you need to provide that expert
4)	advice" (Respondent 7)
"with people with less skills and	davido (Neopondent I)
experience it (power and influence) also	
decreases" (Respondent 2)	
Inadequate credibility	Credible
"Because of the history, there are some	"I think that (Knowledge and expertise) is
things that we need to look into, where	what makes a service department
we need to re-instil the confidence of the	successful and relevant" (Respondent 8)

company in the kind of service we provide to the company." (Respondent 7)	
	"Look it (expertise and skills) would generally increase our power, definitely, because the people that have to rely on that advice will have confidence in you and therefore more and more, they will rely on what you tell them" (Respondent 7).
	"The expertise is important to ensure that the managers actually come and ask – not that they think they can do everything by themselves. And I believe that does happen, yes" (Respondent 9)
	"I feel we do (have credibility), given the skillsets of the people we employed in the department. Their knowledge and experience give us that credibility" (Respondent 2)
	"The team is respected for the expertise they bring, and it allows us to have the influence. If it is a power that we have to exert, because of the expertise that the team brings, they respect the fact that 'okay, if HR says we should do this, it is in the best interests of the organisation" (Respondent 10)

#### 5.6.4 The role of Metrics

The role of metrics as an enabler or inhibitor to obtain power and influence was experienced in different ways by the respondents. Two respondents felt that metrics are playing minimal to no role and reported that: "I doubt if anybody actually ever reads the reports on those metrics......I doubt that hey." (Respondent 8). Respondent 6 felt that metrics provided "very little power and influence, because the organisation takes those services by granted, so it is by normal that these things should happen, that is what you have been employed for." Another view was that metrics are important, but "the metrics that we currently have, impact our power and influence in a negative manner because we do not have the right metrics to show our contribution. If we have proper metrics, the HR Department would have more power and influence" (Respondent 5). Ironically, Respondent 5 then felt that "We don't have time to put those type of metrics together" that will show the business contribution of the department." Building on the theory that metrics are important, respondent 7 felt that "if we can get the knowledge power to the extent to show to what extent we will be able to contribute to the bottom line, we will be taken even more seriously".

Some respondents felt that metrics do not capture the experience where "I can maybe resolve your problem in 8 hours, but I was rude to you. So, in terms of the stats, I'm okay. But in terms of the overall experience, it was not good and you lost confidence in us." (Respondent 1). This opinion was confirmed by respondent 4, explaining that "we cannot measure that user experience because they had a different experience to us and that is where we get disjointed and that is where it really impacts the power and influence. If we do not understand the users' experience like they do."

Respondent 7 explained the power and influence that metrics provided to the department through an example where "the day I was supposed to give feedback was on a public holiday. I only realised when the line managers really made noise about my report to say 'look, we have missed this day but we need this report to make certain decisions'. So for me it elevated that report and therefore the influence and power that I have got. The guys were saying 'where is this report' — so it makes a difference in their lives, so therefore I would say it makes a difference and therefore increases or elevates the power that HR has within the manufacturing team".

### 5.6.5 Technology

Technology has been defined as one of the constructs that both enable and inhibit the power and influence of HR and IT Departments within manufacturing organisations. Table 22 shows a breakdown of the enablers and inhibitors and provides quotes from respondents on the different aspects. Four respondents felt that work is still very manual and paper based and saw it as an inhibitor. In contrast, respondent six felt that the IT Department is the driver in business in the field of technology, thus giving them power and influence.

Technology was also reported to be an inhibitor where the implementation was not done effectively and where resistance to change was experienced. On the up-side, providing effective training and ensuring that the right choices are made when implementing new technology, was reported as enablers to power and influence.

Table 22: The role of Technology

Inhibitors	Enablers
Technology is inadequate	Technology is adequate
"I feel we are too much paper based." "A system like SAP would really help as it would make business and our lives easier." (Respondent 5)	"The main thing that gives us the power right now, is technology. Because we have to enable technology in business" (Respondent 6)
"We still have a lot of manual work" (Respondent 11)	
"Especially considering that digitisation spans your horizon: whilst you need HR to be out there and be visible, for us it is still very difficult to get to a point where we are out there and visible and people can almost touch and feel but through the use of technology – we are lagging behind, far behind actually" (Respondent 15)	
Implementation is inadequate	Choice of technology
"the first thing is to make the technology decision is easy, but for me the implementation is the big thing, so for me the inhibitor there is the implementation" (Respondent 11)	"Technology gets outdated pretty soon. I mean if I need to make a new technology decision and I make the wrong decision and it's not aligned to the strategy, then you know we are going to go in the wrong technology" (Respondent 11)
"the implementation of management system electronically didn't go well" (Respondent 7)	
"You need in this day and age to have the capability to do data analytics". So if your data integrity is off then you can't influence the right decisions, you can't make the right decisions yourselves in terms of saying how do we progress, how do we move forward, and you can't engage people and meet them at the point of their needs. That ja, stifles it completely." (Respondent 16)	
Technology – resistance to change	Provide effective Training
"they all start with excitement on board and everything and after a while, if your system is not strong enough to enforce that new process in place, people revert back to their old ways" (Respondent 6)	"We will give you end-user training to improve your level of competencies so you create efficiencies for us, instead of sitting on spreadsheets and updating everything for hours." (Respondent 6)

## 5.6.6 Co-operation and integration with other departments

The co-operation and the integration of the HR and the IT departments with other departments were highlighted as contributing to the power and influence that these departments experience within their organisations. The co-operation and integration of HR and IT Departments were affected by the credibility of the department, the perception of creating value, communication on how value is created, and the turnaround time on deliverables. Some examples of quotations to this regard are shown in Table 23 below.

Table 23: The role of credibility

Inhibitors	Enablers
Inadequate credibility / negative perception of value add	Adequate credibility / positive perception of value add
"if HR does not articulate their role that	"I think it's nice being in a department
they can play to get you to deliver what	that well look it's only my perception
you want, it is an inhibitor." (Participant	but I feel we're respected, that the
10)	business comes to us." (Respondent 8)
"People see it as a pain in their lives	(if we propose something to the MDs or
when we go to them with proposals or	to the group it usually is seen as there
new initiatives." "When we come up with	are reasons why we are doing it, they
proposals or initiatives, business say it is	don't see it as 'ag another project from
too much work and they do not see the	HR just to waste my time'" (Respondent
value" (Respondent 5)	9)
"HR is a thankless job, whatever you do	"most of the time, when I come up with a
nobody ever says 'I thank you' – it is	proposal, I will structure it in such a way
always 'you could have done better"	that they see a benefit for themselves in
(Respondent 10)	the proposal." (Respondent 7)
"human resources practitioners	"I believe unless we can show a value to
themselves have not done enough to	the business, whatever initiative support
convince stakeholders and	that initiative gets will be commensurate
organisations, in general, of their value	to the value they see in it for them."
and how they impact the bottom line,	(Respondent 7)
their contribution to that and how they	
can improve that" (Respondent 2)	
"visibility, when they call us we are not	"I try to cut out, because I am dealing
available. Small things like, they call us	with ingenious and technical people, you
and can't get hold of us when they need	cut out the frills" (Respondent 7)
us the most. We have a list of small	
things which we can improve on"	
(Respondent 1)	
	"I think there is a high level of confidence
	in our performance and that I can only
	confirm from the feedback that I get
	regularly" "I think it can only affect it
	(power and influence) positively and it
	just raises the level of expectation of
	what else can they get out of us."
	(Respondent 13)

Being a strategic business partner was also highlighted during the interviews. Table 24 shows some of the frustrations that inadequate strategic business partnering cause, it also shows the benefits of adequate strategic business partnering.

Table 24: The role of strategic business partnering

Inhibitors	Enablers
Inadequate strategic business partnering	Adequate strategic business partnering
"You know we come with a score card and at the end of the year we say 'rate'. Some managers just don't want to do that because they say 'how do I go to Joe Soap and tell him he is not a performer? It's not my role. HR must come and tell him that. Not me'. And those can become inhibitors if those are not articulated well and people see the benefit of it" (Respondent 10)	"an enabler is if you have an operations that understands your KPI, understands your role, your limitation and what you can offer, they help you in all your efforts because they know what the ultimate goal is" (Respondent 10)
"we struggle a lot, Here is systems we have put to enhance your efficiencies, for example we can now put in a system to paying suppliers from 27 days vs 30 days, and a potential loss of revenue to business, we put in systems like that, we implement it, but we noticed after 6 months nobody logged-on to the system. So it was driven from us" (Respondent 6)	"We also try and set up our team and it is one of our drivers, is to be an internal consultant, to the organisation. And I think that makes a difference. If you are just a service itself, the basic service, I think they would not see the value" (Respondent 8)
"We don't do this (the needs of the business) very well, and we recognise that we should do this and we don't" (Respondent 12)	"we have done a customer satisfaction survey across the group and from that, although the turnout of responses was very low, we did get an 80% customer satisfaction ratio." (Respondent 6)
"you are not being called upon by business to assist or you are not integrated at a strategic level, so to put ourselves out there and push ourselves into business and try extract information, we just haven't done that." (Respondent 12)	"My realisation is that the people within manufacturing, if you request them to do something that is HR related, or come up with a proposal or whatever initiative you come up with, they will support it depending what is in it for them" (Respondent 7)
"we have noticed people at different levels have different needs. So our approach has always been one fits all and that has not been working, so we want to have a customisable kind of solution where it works for certain people. Because, the broader generic way, you will have half the people happy, half the people not satisfied." (Respondent 1)	"if it is an IT specific proposal or submission it is like, we accept it because it is just one of those things you have to because it is relating to IT and if you don't do it then you don't have systems" (Respondent 4)

The clarity of roles between departments was found to impact the co-operation and integration with other departments. Inadequate role clarity inhibited the power and influence of HR and IT departments whereas clear role distribution assisted better co-operation and power and influence. Table 25 shows some quotations as examples of these.

Table 25: The role of role clarity

Inhibitors	Enablers
Inadequate role clarity	Adequate role clarity
"There are times when departments incorrectly believe that the management of their human capital is the primary function of HR." (Respondent 2)	"because roles and responsibilities are not clear, the business is not clear and everybody is not clear. So when a problem arises and you go to IT, IT says it is a HR problem, and HR says it is an IT problem. And that causes us to not have an impact." (Respondent 1)
"lack of understanding what the other stakeholder brings to the table is an inhibitor. Because if I am in operation and my interest is about numbers, HR comes and their interest is about people, it could be an inhibitor to achieving the goal" (Respondent 10)	"when we it comes to projects, we work with business to do it, and then it is getting the right mix for business to submit a proposal and have the influence, rather than IT do it for business, then it is regarded as an IT thing and then it does not have the power and influence that it should have if business submitted it. And certain involvement of business affects the work and the influence we have. It can either make or break something we do" (Respondent 4)
	"an enabler is if you have an operations that understands your KPI, understands your role, your limitation and what you can offer, they help you in all your efforts because they know what the ultimate goal is." (Respondent 10)

## 5.6.7 The role of policies and procedures

A total of two respondents indicated that policies and procedures could enable their departments to obtain power and influence. In this case, policies are used as guiding tools and provide power to departments to drive certain outcomes or behaviour. On the other hand, four respondents expressed their dissatisfaction with the way policies are treated within their companies, resulting in a lack of power and influence, thus being an inhibitor. The exploration of these two schools of thought is depicted in Table 26.

Table 26: The role of policies and procedures

Inhibitors	Enablers
Policies and procedures	Policies and procedures
"in many policies that we may then have, there are certain powers that are corded to the CEO as a person that has veto powers on certain things. If he does not believe on what our policies and procedures are saying or are meant to achieve he can veto that and thus limiting the power of what we can do."  (Respondent 2)	"For him to say 'you need that, you need OD, you need LD, you need recruitment, you need policies' because without those you don't have a business." (Respondent 10)
"we get affected in that you get the perception that for certain members of the EXCO you need to give in. For some you can hold the policies to your position as an HR person, expert knowledge and all that. But with others you tread carefully." (Respondent 7)	"We do metrics, we have a system called e-learning – we measure how people interact with policy, how much of policies they know, where are the gaps. And we use a system called e-learning which would allow people to go online, read the policy, it has five page questionnaire where people would answer to say they understand all the policies." (Respondent 10)
"he should enforce the discipline and force of the policy and procedure. If he is the biggest culprit, everybody will follow." (Respondent 9) "Eish. I need to be very careful on this	"Because he (CEO) is the ultimate boss, he should enforce the discipline and force off the policy and procedure." (Respondent 9)
one. Look, the perception from outside, based on the decisions that impact on us, some of the decisions as to who you appoint, what policy you relax, creates the perception that there is even power play within the executives themselves" (Respondent 7)	
"You know consistency as well: we are a group, so we have MDs and some MDs sometimes believe they have the authority to overlook policies" (Respondent 9)	
"the CEO and the exec as a team, has from time to time, at times, compromised us. And where we need to then do some sort of damage control. Especially when decisions are made where they are contrary to policy, what we stand for, and we get questioned on that, and we get challenged on inconsistencies that we apply. And we need to then try and somehow find a way of getting out of a hole." (Respondent 7)	

### 5.7 Results for Research Question 3(b)

Research Question 3(b): Are the enablers and inhibitors different for IT and HR Departments?

The aim of Research Question 3(b) was to explore whether the enablers and inhibitors for IT and HR Departments are different. The number of respondents that indicated a construct as an enabler or an inhibitor for either HR or IT departments are depicted in Table 27. Some respondents have reported a construct as both an enabler and an inhibitor.

Table 27: Comparison of IT and HR departments

Inhibitor - HR	Inhibitor - IT	Construct	Enabler - HR	Enabler - IT
5	2	CEO	5	5
5	6	Top Management	4	6
5	5	Expertise	4	5
3	6	Metrics	5	6
2	3	Technology	0	2
5	6	Co-operation and integration with other departments	3	6
3	1	Policies and procedures	2	-

Figures 2 to 8 show the number of respondents in HR and IT respectively, that made mention of enabling or inhibiting factors during the interviews. Enablers are shown as positive numbers and inhibitors are shown as negative numbers.

Figure 2 shows the comparison of the role of the CEO as an enabler or an inhibitor for HR and IT departments. The CEOs of the respondents were predominantly coming from an engineering background and were reported to be mostly focused on numbers. None of the respondents within HR departments indicated that the background of the CEO was an enabler for departmental power and influence. Another interesting observation was that more HR than IT respondents found the language used by the CEO an inhibitor to departmental power and influence. The personality of the CEO was not reported as an inhibitor by either of the support departments.

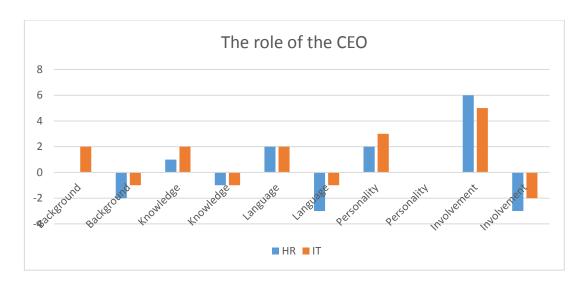


Figure 2: Comparison of the impact of the CEO on IT and HR

Figure 3 shows the comparison of the role of Top Management as an enabler or an inhibitor for HR and IT departments. The behavioural integration of top management had a stronger impact on IT than on HR departments as both an enabler and an inhibitor. The perception of top management on the contribution of the department to business results followed the same trend, however, the gap between HR and IT was smaller. Fewer respondents from HR departments experienced support and respect from top management than respondents from IT departments.

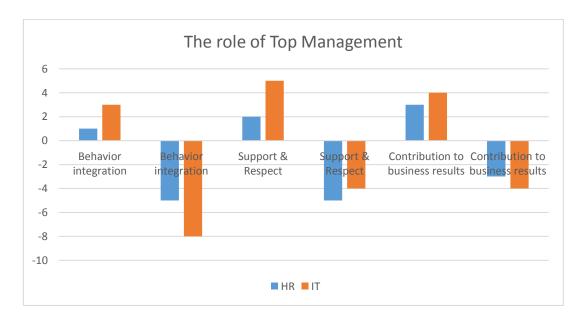


Figure 3: Comparison of the impact of top management on IT and HR

Figure 4 shows the comparison of the role of Expertise as an enabler or an inhibitor for HR and IT departments. An interesting observation was that more HR respondents indicated financial literacy as an enabler and fewer HR respondents than IT respondents experienced it as an inhibitor, suggesting that the financial literacy of HR is better than that of IT. Only HR respondents indicated credibility of their departments as an enabler.

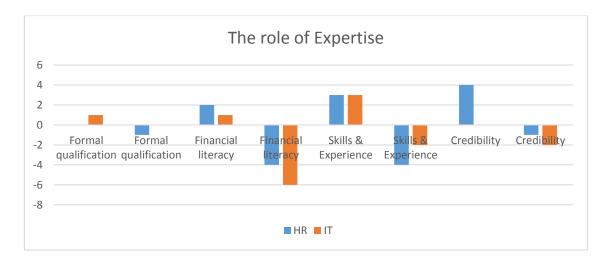


Figure 4: Comparison of the impact of expertise on IT and HR

Figure 5 shows the comparison of the role of Metrics as an enabler or an inhibitor for HR and IT departments. The figure shows that metrics are benefiting HR departments more than what it benefits IT departments as a means to obtain power and influence.

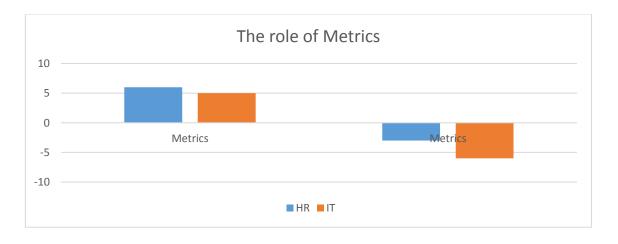


Figure 5: Comparison of the impact of metrics on IT and HR

Figure 6 shows the comparison of the role of Technology as an enabler or an inhibitor for HR and IT departments. The figure shows that more IT than HR respondents made mention of technology, which can be expected due to the nature of departmental purposes. As much as technology was reported as an enabler and an inhibitor for IT, it was only reported as an inhibitor for HR.

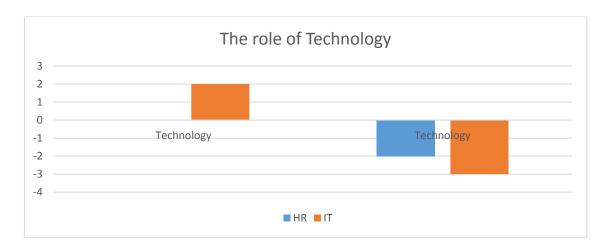


Figure 6: Comparison of the impact of technology on IT and HR

Figure 7 shows the comparison of the role of Co-operation and integration with other departments as an enabler or an inhibitor for HR and IT departments. From the results it appears that IT respondents experience more credibility within the organisation than what HR respondents do. Strategic business partnering has received a lot of attention from IT respondents, both as an enabler and as an inhibitor.

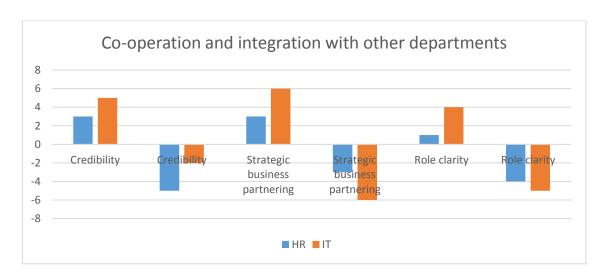


Figure 7: Comparison of the impact of co-operation and integration on IT and HR

Figure 8 shows the comparison of the role of Policies and Procedures as an enabler or an inhibitor for HR and IT departments. Policies and procedures have been mentioned as only an inhibitor for IT departments whereas it was a fairly even split between enabling and inhibiting for HR.

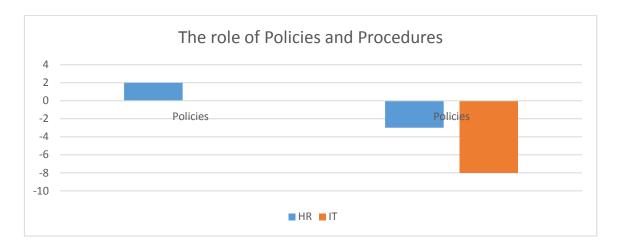


Figure 8: Comparison of the impact of policies and procedures on IT and HR

#### 5.8 Conclusion

Chapter 5 explored the different constructs that emerged during the thematic data analysis of the in-depth interviews. These constructs were aligned with the three research questions discussed in Chapter 3. The results supported the literature review in Chapter 2, but also contributed new insights regarding the power and influence of HR and IT departments within manufacturing organisations. Chapter 6 discusses the results of this study with reference to the theory as laid out in the literature review of Chapter 2.

#### **CHAPTER 6: DISCUSSION OF RESULTS**

#### 6.1 Introduction

The purpose of this research study was to explore the power and influence of HR and IT departments within the manufacturing industry. The insights that were obtained from the findings of this research are compared to the literature as a means to answer the research questions as stipulated in Chapter 3. The findings of this research contribute to a better understanding of the power and influence of HR and IT departments as well as the enablers and inhibitors shaping the power and influence of these departments.

#### 6.2 Discussion of results for Research Question 1

Research Question 1: What does it mean to have power and influence or lack of power and influence in manufacturing organisations?

The aim of Research Question 1 was to explore the understanding of the concept of having or lacking power and influence within a manufacturing organisation from the perspective of the respondents.

The common understandings of respondents of what it means to have departmental power and influence or to lack power and influence within an organisation were derived from the interview data. These constructs are depicted in Table 28 and 29 below. Each construct was compared to the power bases and influence tactics as discussed and defined in Chapter 2, Table 2. Each construct was then grouped with the power base or influence tactic that has the closest fit. The justification for these pairings are shown in Table 28 and 29.

Table 28: Comparison of what it means to have power and influence, with the power bases and influence tactics

Construct – what it means to have power and influence	Power base / influence tactic	Justification for choice of power base or influence tactic
Having a direct impact on business financial performance	Legitimate power / Legitimating tactics	The department is in a position to control because of the direct impact that they have on the business – they can use that to justify their requests / demands
Respected and trusted Departmental Head	Referent power	Referent power is when someone is respected or being liked. This power base is in line with the construct.

Good credibility of the department	Expert power / Information	Some assumptions have been made here – a department can get credibility through expertise or access to information that is not public. This is the best fit of all the power bases and influence tactics.
Having a strong departmental mandate	Legitimate power / Legitimating tactics	The department is in a position to control because of the direct impact that they have on the business – they can use that to justify their requests / demands
Having an impact on key business drivers	Legitimate power / Legitimating tactics	The department is in a position to control because of the direct impact that they have on the business – they can use that to justify their requests / demands
Ability to influence high level decisions	Rational persuasion	Making use of facts or arguments that is logical. From all the power bases or influence tactics, this is the most obvious means to influence high level decisions
Board representation	Affiliation	Affiliation is power borrowed from an authoritative source. Power can be borrowed from the board when trying to get one's way
Client facing	Legitimate power / Legitimating tactics	For most companies, their clients are very important. As a result, dealing with clients might put the department in a position of control

Table 29: Comparison of what it means to not have power or influence, with the power bases and influence tactics

Construct – what it means to lack power and influence	Lacking power base / influence tactic	Justification for choice of power base or influence tactic that is lacking
Poor relationships with other departments	Referent power	Poor relationships can possibly be because of a lack of respect and not being liked by another department, thus lack of referent power.
Internal focus with low risk of reputational damage	Legitimate power / Legitimating tactics	If what the department does, cannot affect the reputation of the organisation, the department is in no position to demand from others what to do.
Having no impact on business financial performance	Legitimate power / Legitimating tactics	The department is not in a position to control because they do not have a direct impact on the business – they cannot use that to justify their requests / demands

Being reactive	Referent power	Lack of referent power is the best fitted power base / influence tactic. When a department is reactive, it might lose credibility and as a result lose the respect from other departments
Unclear departmental	Legitimate power /	The department is not in a position to control
mandate	Legitimating tactics	because they do not have a direct impact on the business – they cannot use that to justify their requests / demands
No impact on key	Legitimate power /	The department is not in a position to control
business drivers	Legitimating tactics	because they do not have a direct impact on the business – they cannot use that to justify their requests / demands
Inability to influence	Rational	Making use of facts or arguments that is
high level business decisions	persuasion	logical. From all the power bases or influence tactics, this is the most obvious means to influence high level decisions. If you cannot influence decisions, you do not practise rational persuasion.

Of the 15 constructs identified and depicted in Table 28 and 29, eight were paired with legitimate power or legitimating tactics. Legitimate power is providing the right to control due to position (French & Raven, 1959). Legitimating tactics verifies the authority to make a request or to establish legitimacy (Kreitner & Kinicki, 2001). Some studies have argued that the formal forms of power, of which legitimate power is one of it, are the strongest sources of power (Brass & Burkhardt, 1993; Bunderson et al., 2016). Because more than half of the constructs were linked to legitimate power or influence, it can be assumed that respondents experienced or perceived this type of formal power to be the best means to obtain power and influence within their organisations. This view is supporting the literature which argued that formal forms of power are the strongest source of power (Brass & Burkhardt, 1993; Bunderson et al., 2016).

De Wit et al. (2017) argued that the personal power forms are more important in situations of upward or lateral control where peers or bosses have to be influenced. In the view of the researcher, departmental power can be classified as a form of lateral control. The personal power forms can include the possession of information, being an expert in the field, or having referent power because of being respected or liked (De Wit et al., 2017). This view is supported by Petrovic et al. (2018), stating that the expertise of a department can be a potential source of power for that department. Four of the

constructs were linked to a personal power form, suggesting that some respondents understood the value of personal power forms within a peer to peer relationship.

### 6.2.1 Conclusive findings for Research Question 1

The perceived understanding of the concept of having power and influence were dominated by a view that legitimate power or legitimating tactics are required to obtain power and influence. This view supports the literature whereas the literature argued that the formal forms of power are the strongest (Brass & Burkhardt, 1993; Bunderson et al., 2016). When working within the HR or the IT department of a manufacturing organisation, it would be of benefit to realise that this form of power would usually not be available for the department. Therefore other means of obtaining power should be explored. The literature argued that personal power forms are more important in situations of peer to peer power and influence, suggesting that the focus of the HR and the IT department should be on these forms of power when seeking to have power or influence.

### 6.3 Discussion of results for Research Question 2

Research Question 2: Do IT and HR personnel perceive of their departments as in position of power and influence within their organisation?

The aim of Research Question 2 was to identify the perceived levels of power and influence that IT and HR departments have within manufacturing organisations from the perspective of the respondents.

Mixed perceptions of the departmental power and influence were reported. Perceptions ranged from having no power and influence, to having situational power and influence, to having power and influence. Table 30 shows the top constructs identified during data analysis for each of the levels of perceived power and influence. The frequency of each of the constructs are indicated in brackets next to the construct. As much as the frequency is not necessarily a good indicator for the validity of the construct, it was interesting to note that the group that perceived their departments to have no power and influence had a high frequency of the perception that the department was not a strategic business partner. The converse was true for respondents that perceived their departments as having power and influence. This group felt that their departments were strategic business partners.

Table 30: Constructs that created the perception of the level of power and influence

Constructs that created the perception of the level of power and influence			
Have no power or influence	Have situational power and influence	Have power and influence	
3 IT & 3 HR	2 IT & 3 HR	3 IT & 1 HR	
Not a strategic business partner (11)	Access to board or executive level (5)	Is a strategic business partner (10)	
Being reactive (2)	Power and influence depend on the situation (4)	Influential relationships (2)	
Lack of stakeholder	Power and influence are	Policies and procedures (1)	
management and	dependent on the business unit		
engagement (2)	you deal with (3)		
Reporting structure /	Lack of strategic business		
inadequate access to board and executive level (2)	partnering (3)		

### 6.3.1 The power and influence of HR Departments

Capelli (2015) argued that HR is a powerful department in Europe and South-East Asia, but not in the United States. Studies claiming that HR is a powerful or influential department are limited. Most studies reason that, as much as the role of the HR department is important, they usually lack power and influence. It is often found that HR is not being invited to strategic decisions, and at times important HR decisions are made without an HR person present (Aldrich et al., 2015; Barney & Wright, 1998; Campbell et al., 2012). Petrovic et al. (2018) highlighted that HR executives often attempt to become more influential strategic business partners. However, the lack of strategic contribution of HR at board level is a concern (Chadwick et al., 2015).

More HR respondents perceived their departments as lacking power and influence than having power and influence. Whether or not they were strategic business partners mattered. This finding supports the literature, stating that HR is often excluded from strategic discussions. It is understandable that HR executives would attempt to become more influential strategic business partners as highlighted by Chadwick et al. (2015).

### 6.3.2 The power and influence of IT Departments

Besides the groups that felt that they had no power, situational power, or power as depicted in Table 30, three of the IT respondents indicated that the power and influence of their departments are transforming. There is a transformation from being told what to do and delivering a service towards becoming business partners with important business

contributions and decisions to be made. The different organisations were at different levels of transformation. Evidence is available in the literature that the power and influence of IT departments are transforming. In 1986, Lucas & Palley argued that the power and influence of IT departments were minimal, but approximately 20 years later, studies highlighted that the power and influence of IT departments transformed from minimal to moderate (Setterstrom & Pearson, 2009). With IT becoming increasingly prominent within organisations, the assumption can be made that the power and influence of IT departments would increase accordingly.

The comparison between having power and influence, and not having power and influence was equal for the IT respondents. It can be assumed that different organisations are at different stages of transformation and technology implementation within the manufacturing industry.

### 6.3.3 Conclusive findings for Research Question 2

HR Departments often find themselves in a situation where they are lacking power and influence. HR Executives would benefit from becoming more influential strategic business partners. The enablers and inhibitors discussed under Research Question 3 would provide more information about the means to achieve this. The power and influence of IT Departments are transforming, not only due to the department's own doing, but also due to the increased use of technology. The findings of this study supports the literature.

### 6.4 Discussion of results for Research Question 3

Research Question 3(a): What are the enablers and inhibitors that shape the power and influence of IT and HR departments within manufacturing organisations?

The aim of Research Question 3(a) was to explore the enabling and inhibiting factors that managers within the HR and IT departments in manufacturing organisations perceive shaping the power and influence of these departments.

Research Question 3(b): Are the enablers and inhibitors different for IT and HR departments?

The aim of Research Question 3(b) was to explore whether the enablers and inhibitors for IT and HR departments are different.

Seven high level constructs were formulated from the data gathered in the interviews. These constructs were either an enabler or an inhibitor, depending on the role that it played within the organisation being evaluated during the respective interviews. The seven constructs are: the role of the CEO; the role of top management; the role of expertise; the role of metrics; co-operation and integration with other departments; the role of technology; and lastly, the role of policies and procedures. Two of these constructs were not identified during the literature review as outlined in Chapter 2. These are the role of technology and the role of policies and procedures. These two constructs had the lowest and the second lowest frequency for both the enablers and the inhibitors. (See Table 12) Each of the constructs are compared to the literature as laid out in Chapter 2.

### 6.4.1 The role of the CEO

Data from the interviews indicated that there are various aspects about the CEO that could enable or inhibit the power and influence of a department. One of these aspects is the background of the CEO. This study was conducted within the manufacturing industry and it was found that the CEO's were predominantly from and engineering background. They were mostly numbers orientated and did not understand the flowery language of people in HR, as one respondent had put it. The knowledge and experience of the CEO was also highlighted where IT was more inclined to perceive the knowledge and experience of the CEO as an enabler than what HR was (See Fig 2). Comparing IT with HR further, IT respondents reported the engineering background as being an enabler whereas none of the HR respondents reported it as such. On the contrary, HR respondents reported it as an inhibitor (See Fig 2) Homburg et al. (2015) found that departments have more power and influence when the background of the CEO was aligned to the departmental role. Wu et al. (2015) made mention of the delayed realisation of non-IT CEO's of the importance to align IT with strategic business objectives, suggesting that CEO's with an IT background would in essence enable the power and influence of the IT department. As none of the CEO's of the respondents interviewed had either and IT or a HR background, it could be assumed that the engineering and the IT backgrounds were found to be more aligned than that of engineering and HR. Engineering and IT were both more numbers inclined than HR.

Another aspect about the CEO that surfaced during the interviews was the use of language which was either destructive and confusing (an inhibitor), or constructive and motivating (an enabler). More HR respondents reported the language used as an

inhibitor than an enabler. More IT respondents reported the language used as an enabler than an inhibitor (See Fig 2). The language of the CEO was important to the respondents and this was in support of the literature. Sheehan et al. (2014) argued that the language used by the CEO as well as the symbolic actions of the CEO towards a department has an effect on the credibility of a department and the way in which a department is received.

The involvement of the CEO with the department and the level of support that they are experiencing was mentioned as an enabler by 11 of the 15 respondents with more or less an equal split between HR and IT (See Fig 2). A CEO that was supportive, accessible and empowered the departments played a role in enabling the power and influence of those departments. Aldrich et al. (2015) found that the performance of a department can be predicted by the support of the CEO. Where the CEO is setting a supportive tone, the department has more power and influence. Where the CEO did not support a department, that department struggled to convince top management of their value (Aldrich et al., 2015; Charan et al., 2015). The findings of this study support the literature with regard to the involvement and support of the CEO.

It was thus found that the role of the CEO is important with regard to the level of power and influence that a HR or IT department enjoyed. Through his or her language, actions, involvement, support and even the educational background, a department can obtain or lose power and influence. This finding is in support of the literature. It can be assumed that overall, the IT departments experienced the CEO as an enabler to a larger extend than the HR departments. This conclusion is mainly drawn due to the influence of the engineering background of the CEO that results in a focus on numbers, and the language used which can also be linked to an inclination to prefer tangible, numerical feedback.

### 6.4.2 The role of Top Management

Top Management was found to be the most frequently mentioned inhibitor in obtaining power and influence. The behavioural integration of top management was found to be lacking in most of the organisations according to the interview respondents. Lack of coordinated and synchronised behaviour was reported to inhibit departmental power and influence. Sheehan et al. (2014) argued that the behavioural integration of top management teams promotes the willingness of top management teams to support departmental initiatives. Whenever the behaviour of top management teams is not integrated, departments have to learn how to compete for power and influence (Petrovic et al., 2018). If top management fails to work together as a team, the damage to the organisation and individual teams can be profound (Greer et al., 2017). The finding that

behavioural integration affects the power and influence of departments supports the literature.

The level of respect and support that departments enjoyed from top management, was reported to have an impact on departmental power and influence. Just more than half of the respondents felt that their departments lacked the support and respect from top management whereas the others felt that they do have support and respect from top management. In the split between HR and IT, HR experienced it more as an inhibitor and IT experienced it more as an enabler (See Fig 3). It can be assumed that, because the CEO's had engineering backgrounds and based on the data gathered, the CEO's were more supportive of IT than of HR, the top management teams were affected by the view of the CEO. This can then explain the experience of IT being supported and respected whereas HR had the opposite experience. Aldrich et al. (2015) argued that in a case where the CEO is setting a supportive tone towards a specific department, that department enjoyed more support from top management. Where the CEO does not support a department, that department struggles to convince top management of their value (Aldrich et al., 2015). Another study found that top management might resist certain departmental initiatives due to personality clashes or different opinions of business and personal priorities among the top management team (Ngwenyama & Nielsen, 2014). This finding suggests that it is not only the influence of the CEO affecting the behaviour of the top management team.

In conclusion, the behavioural integration of top management and the support and respect that they are giving to a HR or IT department may affect the power and influence of these departments. This finding supports the literature.

### 6.4.3 The role of Expertise

The largest portion of respondents indicated that expertise plays a vital role in the power and influence of their departments but some respondents were of the opinion that it does not play a role. One respondent explained that, as much as expertise is important, it would not really assist to improve the power and influence of the department. De Wit et al. (2017) argued that in situations of upward or lateral control where peers, other departments or bosses have to be influenced, personal power forms like being an expert in the field is an important means to obtain power and influence. This is aligned with the view of Petrovic et al. (2018), stating that the expertise of a department can be a potential source of power for that department.

Formal qualifications, skills and experience have been reported as enablers for departmental power and influence. Respondents that experienced these, believed that it improved their power and influence because it gave them credibility. Some respondents expressed their frustrations with the lack of formal qualifications and skills of some of the staff in their departments, substantiating the opinion that qualifications and skills are important enablers. The IT respondents reported less inhibiting experiences than HR even though the difference was not substantial (See Fig 4). Homburg et al. (2015) argued that an academic education in the department's area of expertise can be an important lever of the power and influence of a department in the long run. Expertise is seen as a resource that others depend on.

Financial literacy was reported as an important means to obtain power and influence, but very few respondents indicated an adequate level of financial literacy within their departments. It was interesting to find that more HR respondents indicated financial literacy as an enabler and less HR respondents than IT respondents experienced it as an inhibitor. It can be assumed that within the sample, the financial literacy of HR was better than that of IT (See Fig 4). Having a sound financial literacy can enhance the power and influence of a department. Departmental initiatives that are framed in a language that top management understands and that explains the economic benefits to be gained might enhance the chances of acceptance of departmental initiatives (Sheehan et al., 2014).

Expertise therefore plays a role in the power and influence of IT and HR departments. The findings of the role of expertise supports the literature.

### 6.4.4 The role of Metrics

Mixed feedback were received about the role of metrics as a means to obtain power and influence. Some respondents explained that metrics plays minimal to no role. Another view was that metrics are important, but that the departments did not have the correct metrics, thus, not benefiting from it. The lack of time to put proper metrics together was provided as a reason why good metrics did not exist, even when these respondents were of the opinion that it would enable the department to have more power and influence. Other respondents felt that metrics do not capture the experience of the customer whereby you measure performance and think you are doing well, but then your customer are still unhappy. The last view was that metrics are crucial and are enabling departmental power and influence because of the value that customers give to the information it provided. When comparing the HR and IT departments, it was found that

metrics were benefiting HR departments slightly more than for IT departments, possibly because of the quality of the metrics (See Fig 5).

Petrovic et al. (2018) argued that the data analysis and measurements that a department does, can improve their power and influence. Suitable metrics that exhibited the impact of departmental initiatives on the overall business performance was well received by top management and resulted in support for the departmental activity and increased influence of the support department on the business strategy (Sheehan et al., 2014; Florkowski & Olivas-Luján. 2016). Conversely, departments that cannot communicate their value add to the business, experienced low levels of power and influence (Tavassoli et al., 2014). Homburg et al. (2015) supported this view, arguing that the biggest driver reducing the influence of departments within an organisation is their inability to communicate their influence on business performance.

The literature explained that metrics needs to be suitable and communicate the value add to the business. It can be assumed that respondents that felt that metrics are playing minimal to no role, might not have had suitable metrics that showed the value add to the business, thus, not experiencing it as an enabler for power and influence. It is therefore argued that metrics plays an important role in the power and influence of HR and IT Departments.

### 6.4.5 Co-operation and integration with other departments

Co-operation and integration with other departments were reported to be possible when the HR or IT department had credibility and created the perception that they can add value. Once others see that you can add value, and that you deliver on that value that you can add, the department had credibility. Once credibility was earned, other departments were more inclined to co-operate. When comparing IT and HR, it became apparent that IT respondents experienced more credibility within the organisation than what HR respondents did. It is possible that this was the case because IT experienced the CEO and top management as an enabler to a larger extend than what HR did. This can possibly filter down to the interactions between departments, resulting in IT also experiencing the co-operation and integration with other departments in a better light than what HR respondents did. Aldrich et al. (2015) argued that it is advisable for departments to build credibility, because without it, they might become irrelevant. Credibility is important to secure the support from other departments and from top management. Support is needed to become influential (Aldrich et al., 2015).

Adequate strategic business partnering was reported as another way to achieve cooperation between HR or IT departments, and the rest of business. The frequency of inadequate and adequate strategic business partnering was the same for HR respondents (mentioned three times as an enabler and three times as an inhibitor). The same pattern was seen for IT where the frequency of inadequate and adequate strategic business partnering was the same for IT respondents (mentioned six times as an enabler and six times as an inhibitor). It can be concluded from the interviews that IT and HR departments are not always seen as strategic business partners. From the quotations drawn from the interviews, it can also be concluded that being a strategic business partner enables power and influence. Wu et al. (2015) conducted a study in Taiwan that highlighted the importance of strategic alignment between business and the IT Department. Some organisations, especially those with non-IT CEO's, were lacking the realisation that IT alignment is critical (Wu et al., 2015). In 2015 it was highlighted that the transformation of HR into a strategic business partner has not materialised as yet (Aldrich et al., 2015). In 2016, Florkovski & Olivas-Luján argued that HR executives might obtain access to strategic business discussions and formulations through contact with the CEO and board appearances.

This study supports the literature in two ways: It is important for HR and IT departments to have credibility and to become strategic business partners to obtain power and influence; these departments do not always experience adequate credibility or strategic business partnering.

### 6.4.6 The role of Technology

The lack of technology was reported as an inhibitor where manual and paper based work were frustrating and slowing the department down. As a result, the format and the timeframe in which information was provided to other departments, was substandard, resulting in reduced power and influence. Technology was also seen as an inhibitor where the implementation was ineffective and where resistance to change were experienced. On the up-side, providing effective training and implementing fit-for-purpose technology was some of the enablers to power and influence. From the sample, one IT department felt that technology is a business driver within their organisation. Based on the range of responses it could be assumed that organisations found themselves in different levels of technology adoption, resulting in different levels of power and influence for IT departments because they are usually driving the technology. The HR departments also found themselves in different degrees of power and influence

because of the impact that technology had on the quality of the output of the department. When comparing HR and IT departments, more IT than HR respondents made mention of technology, which could be expected due to the nature of the departmental purpose. Only IT reported technology as an enabler. The lack of technology was reported by both IT and HR as an inhibitor to power and influence (See Fig 6).

The role of technology was not linked to the power and influence of IT or HR departments during the literature review. Limited information could be found on the impact of technology on departmental power and influence. However, previous studies highlighted the crucial role that Information technology was playing as a driver in achieving long-term business goals. (Sibanda & Ramrathan, 2017). Ramrathan & Sibanda (2017) argued that information technology was historically seen as one of the costs of doing business. It has evolved to be an enabler of business transformation and advantages are felt throughout the organisation.

The current study highlighted the importance of technology as an enabler, which supports previous research. Looking at the impact that technology had on the power and influence of HR departments within the manufacturing industry extends the literature whereas this study found that technology can improve the power and influence of HR departments because it enables HR to deliver improved information, in a better format, at a faster pace, thus, creating credibility.

### 6.4.7 The role of Policies and Procedures

Two respondents indicated that policies and procedures were enabling their departments to obtain power and influence where it was used as guiding tools to drive certain outcomes and behaviours. However, the overwhelming feeling was a sense of dissatisfaction with the way in which policies were treated within the companies of the respondents. The CEO had veto power and only followed policies when it suited him or her. Similar behaviour was visible in top management, possibly because of the example that the CEO has set. When comparing the role of policies and procedures within the HR and the IT domain, it was found that it was mentioned as only an inhibitor for IT departments whereas it was a fairly even split between enabling and inhibiting for the HR Departments (See Fig 8).

The role of policies and procedures was not linked to the power and influence of IT and HR departments during the literature review. Limited information could be found on the impact of policies and procedures on departmental power and influence. Aldrich et al.

(2015) highlighted that one of the key core competencies of high-performing organisations was that the HR department had the ability to deliver within the usual policy and procedure domains. However, in most cases, HR had limited influence in their policy domains (Aldrich et al., 2015). Furthermore, the perceived credibility of the HR department would determine the response of other employees to the HR policies and procedures (Stirpe, Trullen & Bonache, 2013). Petrovic et al. (2018) argued that well intended policies might be derailed due to other organisational pressures. Wu et al. (2015) argued that IT departments that are communicating their IT policies well, would enjoy improved IT governance. Whenever IT policies were easily accessible, the use of IT within the organisation had improved.

It can be concluded that policies and procedures can at times improve the power and influence of HR or IT departments, but in most cases, policies are overruled, ignored due to other pressures or simply just not followed. The findings supported the literature.

### 6.4.8 Conclusive findings for Research Question 3

The seven constructs that were discussed were all affecting the power and influence of both the IT and the HR departments. At times it was reported as an enabler and at times as an inhibitor.

The predominantly engineering background of the CEO's is a possible reason for their focus on numbers and preference for tangible results. Findings showed that this phenomenon benefitted the IT departments, but not the HR departments. Similarly, the language and actions of the CEO benefitted the IT departments, but not the HR departments. Interestingly, the HR and IT respondents felt an equal amount of support and involvement from the CEO. The level of respect and support from top management enabled the power and influence of IT more than for HR. It can be accepted that the view of top management might be influenced by the view of the CEO, thus following the same pattern. The same phenomenon was found when looking at the co-operation and integration with other departments. Once again, IT experienced more credibility and thus more co-operation than what HR did. Again, it is possible that the view of the CEO and top management had an effect on the view that was formed on a departmental level.

Both IT and HR felt that education and skills, but also financial literacy were enabling departmental power and influence. It is concluded that the level of power and influence experienced, was related to the level of expertise. Where expertise were lacking, it inhibited the power and influence of the department.

The conclusion from the comparison of the findings with the literature is that suitable metrics can enable the power and influence of both IT and HR. HR reported more benefits from their metrics than what IT did, possibly due to the suitability of the metrics.

The role of technology was discussed as a separate construct. It is possible that this construct feeds into some of the other constructs identified. Improved technology can result in improved metrics due to the capability that technology brings. Technology can also speed up some processes and make it more efficient, thus, resulting in better credibility for the department and improved co-operation and integration with other departments as a result. Both IT and HR indicated a need for improved technology.

The role of policies and procedures can be linked back to the CEO and top management. Experiencing policies and procedures as inhibiting to departmental power and influence was mainly due to the behaviours of the CEO and top management, disregarding it whenever it suited them.

### **CHAPTER 7: CONCLUSION**

#### 7.1 Introduction

The purpose of this chapter is to consolidate the findings of the study given the research purpose as outlined in Chapter 1. Insights into the power and influence of IT and HR departments, including the enablers and inhibitors that shape their power and influence, are discussed. Recommendations are made to organisations and managers, topics for future research are proposed, and the limitations of the study are discussed.

### 7.2 Principal findings

# 7.2.1 The meaning of having or lacking departmental power and influence in manufacturing organisations.

This study found that the perceived understanding of having departmental power and influence was dominated by the view that legitimate power or legitimating tactics are required to obtain power and influence. Legitimate power is one of the formal forms of power, which is believed to be one of the strongest forms of power according to literature (Bunderson et al., 2016; Fast, Burris & Bartel, 2014; Brass & Burkhardt, 1993). Departments that have a direct impact on key business drivers; have a direct impact on financial performance; which have a strong departmental mandate; or are client facing, are perceived as powerful and influential departments within manufacturing organisations. These attributes were all grouped as legitimate power or legitimating tactics.

Personal power forms are believed to be more important in situations of upward or lateral control where peers or managers have to be influenced (De Wit et al., 2017). Considering the power and influence of teams, departmental power can be classified as a form of lateral power when one department has to influence another department. It can also be classified as upward power where a department may have to influence top management or the CEO.

It would not always be possible for HR or IT departments within a manufacturing organisation to have formal power; thus, other forms of power and influence should be explored. Personal power forms would more easily be accessible for HR and IT departments. This can include the possession of information, being an expert in a field, or having referent power because of being admired or respected (De Wit et al., 2017; Petrovic et al., 2018). It is also noted that the perception of the meaning of having or

lacking departmental power is generally associated with a formal forms of power while the practising of personal power forms are underestimated or even overlooked.

It can be concluded that, for the scope of this research, the meaning of having departmental power and influence in manufacturing organisations is linked to the degree of formal power a department possess. The higher the formal form of power, the more power and influence the department would have.

# 7.2.2 The power and influence of HR and IT departments in manufacturing organisations

Insights from this research found that HR departments within manufacturing organisations often view themselves as lacking of power and influence. The main reason being that these departments are not seen as strategic business partners. This finding supports the literature that states that HR is often excluded from strategic discussions and decisions, and even worse, at times important HR decisions are made without the input of the HR department (Petrovic et al., 2018; Chadwick et al., 2015; Aldrich et al., 2015; Campbell et al., 2012). Also, Sheehan et al. (2014) found that HR departments have low structural power. This finding is in line with the view that departments in possession of formal forms of power, such as legitimate power, are perceived as the powerful and influential departments. When HR is not seen as a strategic business partner, they would not have formal power.

In this study, it was found that there were equal numbers of views that the IT department has power and influence as against the view that the IT department does not have power and influence. An interesting observation was that the power and influence of IT departments are transforming from being given instructions and delivering a service, towards becoming business partners with significant business contributions and involvement in decisions to be made. It is then concluded that the different organisations could be in different phases of transformation, thus explaining the mixed responses on the level of power and influence of IT departments. IT is currently moving into the space of becoming strategic business partners that contribute to key business drivers, thus, having more formal power as explained in section 7.2.1. Academic literature indicates that IT departments generally do not possess hierarchical power. As much as IT is becoming increasingly prominent within organisations, it is still widely accepted that their power and influence are often lacking (Setterstrom & Pearson, 2013; Ngwenyama & Nielsen, 2014). Keeping in mind the rapidly changing IT environment, previous work on

the power and influence of IT departments might be dated (Setterstrom & Pearson, 2013).

It can be concluded that, for the scope of this research, HR departments generally do not possess power and influence and IT departments are transitioning into a position of having power and influence. This transition can be due to the changing IT environment.

# 7.2.3 The enablers and inhibitors that shape the power and influence of HR and IT departments in manufacturing organisations.

Figure 9 shows a framework of identified constructs that can enable or inhibit the power and influence of both the IT and the HR departments within manufacturing organisations, and the impact that these construct might have on the company performance.

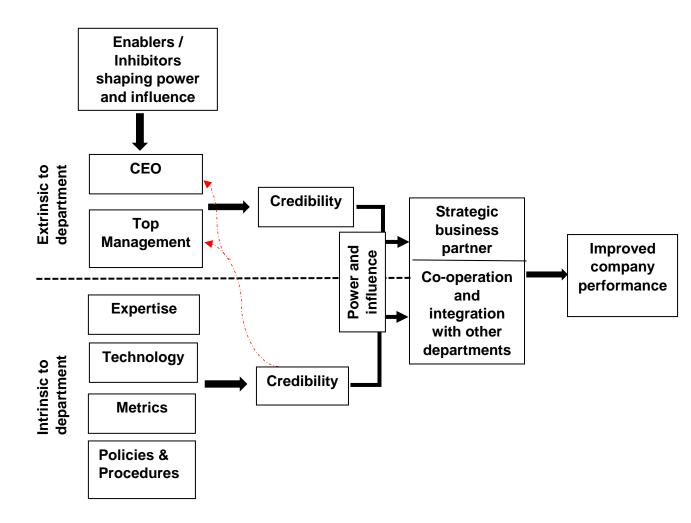


Figure 9: Framework on the enabling and inhibiting constructs shaping departmental power and influence

The CEO and top management were classified as enablers/inhibitors that are extrinsic to the IT or HR department. Factors outside the control of the IT or HR department can shape the beliefs of the CEO and top management, affecting their view of the credibility of the IT or HR department. The predominantly engineering background of the CEO's within manufacturing organisations can be the reason for their focus on numbers and preference for tangible results. Findings showed how this benefitted the IT department, whereas HR experienced it as an inhibitor. Similarly, the language used and actions of the CEO's were found to be enablers for IT but inhibitors for HR. The findings on the background, language and actions of the CEO supports the literature, which claims that these aspects can affect the power and influence of a department (Homburg et al., 2015; Wu et al., 2015; Sheehan et al., 2014).

Support and respect from top management enables the power and influence of IT more than for HR. The view of top management might be influenced by the view of the CEO, thus following a similar pattern. Literature support this view (Aldrich et al., 2015). The CEO and top management can thus affect the credibility of the department and with it, the power and influence that the department might enjoy.

The enablers/inhibitors that were classified as intrinsic to the IT or HR department are the constructs that are within the control of these departments. High levels of expertise were reported to enable, and low levels of expertise were reported to inhibit the power and influence of both the IT and the HR departments. The level of power and influence experienced was thus related to the level of expertise. Petrovic et al. (2018) explained that expertise is one of the personal power forms that can enable the power and influence of an entity.

Suitable metrics can enable the power and influence of both IT and HR. HR reported more benefits from their metrics than what IT did, possibly due to the suitability of their metrics. Suitable departmental metrics can be seen as a potential source of departmental power and influence (Sheehan et al., 2014; Florkowski & Olivas-Luján, 2016). This study found that technology can be used to improve the quality of metrics and the rate at which metrics can be produced. Improved metrics can enable more informed discussions and ultimately improve the credibility of a department. Limited information could be found on the impact of technology on departmental power and influence. Both IT and HR indicated a need for improved technology as a means to enable their power and influence.

IT departments was of the opinion that policies and procedures inhibits their power and influence whereas HR experienced mix results about the impact on their power and

influence. In most cases, experiencing policies and procedures as inhibitors was due to the CEO and top management disregarding policies and procedures whenever it suited them. Aldrich et al. (2015) explained that HR had limited influence in their policy domains. Well-intended policies may be ignored due to other organisational pressures (Petrovic et al., 2018).

All the constructs, whether acting as an enabler or an inhibitor, would impact the credibility of the department. The department has a direct impact on the credibility linked to expertise, technology, metrics, policies and procedure. The department can, to a lesser extent affect the view of top management and the CEO through credibility obtained via the intrinsic constructs. This is indicated with a dotted line in the framework (Figure 9). The credibility, both from the extrinsic and the intrinsic constructs, give the HR and IT departments' power and influence. Aldrich et al. (2015) explained that it is advisable for departments to build credibility because, without it, they become irrelevant. Credibility is key to securing support from other departments (Aldrich et al., 2015). Figure 9 shows how constructs can provide credibility; that credibility can improve the power and influence of a HR and IT department; That power and influence can result in improved co-operation and integration with other departments, as well as improved strategic business partnering; and lastly, that this chain reaction can improve the company performance. Human resource management practices can improve financial performance (Beer, 2015). When there is alignment between the IT department and business, it can impact the organisational performance positively (Luftman et al., 2017).

## 7.3 Recommendations for top management and managers of IT or HR departments

It is important for the CEO and top management to realise and understand the impact that they may have on the power and influence of HR and IT departments. The CEO needs to be mindful of the biases that he or she might have due to educational and experiential background, and should deliberately attempt to be objective in the language and actions used. Top management should not always accept the word and opinion of the CEO, but remain objective in their view as far as possible. It is recommended that the CEO and top management support the HR and IT departments as these departments could have an influence on the overall business performance.

Managers of IT and HR departments can use the power and influence enabler framework to improve the credibility of their departments and ultimately their departmental power and influence.

### 7.4 Limitations of the research

Qualitative research is by nature subjective and can be affected by various biases (Zikmund et al., 2013). The main limitations identified are:

- Geographical bias could be a possibility as the respondents were all located within the Johannesburg region, which eased administering of face to face interviews but possibly introduced bias.
- The researcher had no formal training in administering interviews which could have had an impact on the data collection (Agee, 2009).
- Response bias was considered as a possibility where Departmental Heads of IT
  or HR might have been too embarrassed to admit that their departments do not
  have power or influence. They might feel that a lack of power and influence is a
  reflection on their performance as a manager.
- The researcher had limited training in thematic analysis, which could have impacted the quality of the codes, categories and themes developed.

### 7.5 Recommendations for future research

The following suggestions for future research would add value to the existing literature:

- The rapidly changing IT environment provides an opportunity for a longitudinal study on the change of power and influence of IT departments over time.
- As mentioned under the limitations, departmental heads of IT or HR might be too
  embarrassed to admit that their departments do not have power or influence as
  they might feel it is a reflection on their inefficiencies. Future research can
  compare what managers perceive versus what their employees perceive to be
  the power and influence of the department.
- The scope of this study was limited to the manufacturing industry whereas eight sectors within the manufacturing industry were included in the study. A similar study could be conducted in other industries, providing a comparison between industries.
- During the interview process for this study, the opinion was raised that finance departments are the most powerful departments within manufacturing organisations. Research into understanding the power and influence of finance departments would be useful and can be compared to the findings of this study.

### 7.6 Conclusion

The literature indicated that HR and IT departments generally have little power and influence within their organisations. Limited information is available in the literature on the power and influence of these departments in the manufacturing industry. Considering the positive impact that these departments could and should have on business performance, this study explored the current power and influence of HR and IT departments in the manufacturing industry. In addition, it provides insight into the enablers and inhibitors that shape the power and influence of HR and IT departments. Through this empirical study, deeper insight into the power and influence of IT and HR departments within manufacturing organisations was gained. This study contributes to the field of power and influence, given the findings and conclusions drawn from each research question, as well as from the power and influence enabler framework developed.

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## 9. APPENDICES

## Appendix 1: Letter of permission to conduct research

Dear Sir / Madam
RE: REQUEST FOR PERMISSION TO CONDUCT RESEARCH AT:
I, Greta Luus, hereby wish to apply for permission to conduct interviews at
I am conducting research on inter-departmental power and influence, in partial fulfilment of the requirements of the degree of Masters of Business Administration at the Gordon Institute of Business Science (Gibs).
The focus of my research is on the power and influence of HR and IT Departments and the enablers and inhibitors for these departments to have power and influence. I am requesting permission to interview employees on a managerial level within the HR and / or IT departments within your organisation. The information obtained from the interviews will be used solely for the purpose of this research study and would be treated as confidential. Neither the name of the company, nor the interviewee would be mentioned in the research study.
In addition, the Gibs Ethical Committee has reviewed my interview questions and has granted ethical clearance for this research study.
Thank you in advance for considering my request. I am looking forward to your response. Please do not hesitate to contact me, should you have any questions.
Yours sincerely,
Greta Luus 17399557@mygibs.co.za

### **Appendix 2: Consent form**

### **INTERVIEW CONSENT LETTER**

I am conducting research on inter-departmental power and influence in organisations. To that end, you will be asked to participate in an interview to better understand power and influence on a departmental level within organisations.

The interview should take no more than an hour of your time and would involve discussing your experience of the power and influence of your department in your organisation.

Please note that your participation in this interview is voluntary and you can withdraw at any time without penalty. All data would be kept confidential. Neither the identity of yourself, nor your company will be recorded.

If you have any concerns, please contact my research supervisor, Anel Meintjes, or myself. Our details are provided below.

Researcher Name: Greta Luus Email: 17399557@mygibs.co.za

Phone: 082 403 7927

Research Supervisor Name: Anel Meintjes

Email: anelrdsa@gmail.com

Phone: 083 283 0712

Signature of Participant: \_\_\_\_\_\_

Date: \_\_\_\_\_

Signature of Researcher: \_\_\_\_\_\_

Date: \_\_\_\_\_

### Appendix 3: Interview guide

### **INTERVIEW GUIDE**

Participant nr:	Start time:
Date:	End Time:
Job Title:	Department:

Thank you for agreeing to this interview, I appreciate your input into my MBA research study.

My research is on inter-departmental power and influence in organisations with specific focus on support departments.

Power can be defined as the capacity or potential that one entity has to influence another entity's behaviour. People will either commit, comply or resist influence, where commitment is the sought after outcome and resistance indicates a failed influence attempt.

The aim is to understand the power and influence of support departments and explore the enabling and inhibiting factors for obtaining departmental power and influence.

I would like to encourage you to speak freely. All data would be kept confidential. Neither the identity of yourself, nor your company will be recorded.

Would you please sign the consent form and also confirm that you are happy for me to record the interview?

1 POWER AND INFLUENCE			
1.1	When do you perceive a department as powerful and influential in your		
	organisation and when do you perceive a department as having a lack of		
	power and influence?		
	2 POWER AND INFLUENCE OF SUPPORT DEPARTMENTS		
	2 TOWER AND IN ECENCE OF SOLITORY DEL ARTIMENTS		
2.1	How do you experience your department's level of power and influence within		
2.1			
2.1	How do you experience your department's level of power and influence within		

	What power and influence does your department have to make strategic
	decisions and to make strategic contributions on board or executive level?
3	ENABLING AND INHIBITING FACTORS FOR POWER AND INFLUENCE
3.1	What are the things that, if you had that, your department would have more power and influence?
3.2	What are the things that are currently preventing your department from having more power and influence?
3.3	The role of the CEO in departmental power and influence:
	3.3.1 What impact does your CEO have on the power and influence of your department? Why would you say that?
	3.3.2 How do you think the educational background, personality, actions and language used by your CEO affect the power and influence of your department?
3.4	The role of top management in departmental power and influence:
	3.4.1 How do you experience the behavioural integration (behaviours are coordinated and synchronised with each other) of the top management team and what impact does this have on your department's power and influence in the organisation?
	3.4.2 How satisfied would you say, is top management with the performance and accountability of your department? What impact do you think that has on the power and influence of your department?
	3.4.3 What is top management's belief about the extent to which your department can improve the business performance?
3.5	The role of <b>expertise</b> in departmental power and influence:

	3.5.1 How valuable is your knowledge and expertise in your field as a means to obtain power and influence and why?		
	3.5.2 How would you describe the financial literacy of managers and senior staff in your department? How often is your department involved in financial decisions that affects the organisational business results?		
3.6	The role of <b>metrics</b> in departmental power and influence:		
	3.6.1 What type of metrics does your department have that can be used to show the value that your department add to the overall business performance? (expenditures vs productivity, economic metrics)		
	3.6.2 How does the metrics that you have, impact the power and influence of your department and why?		
3.7	The role of <b>personal traits</b> of the department on power and influence:		
	3.7.1 How do business react towards your department when you are making proposals, coming up with initiatives or require work to be performed by other departments? Why? How does this affect your power and influence?		
	3.7.2 How well does your department connect and understand the expectations of your key stakeholders and translate their needs into solutions? How do your customers feel about your performance as a department? How does this affect your power and influence?		
	4 GENERAL		
4.1	Is there anything else that you would like to tell me about the power and influence of your department?		

### Appendix 4: Ethical clearance approval

## Gordon Institute of Business Science University of Pretoria

08 August 2018 Luus Greta

Dear Greta

Please be advised that your application for Ethical Clearance has been approved.

You are therefore allowed to continue collecting your data.

Please note that approval is granted based on the methodology and research instruments provided in the application. If there is any deviation change or addition to the research method or tools, a supplementary application for approval must be obtained

We wish you everything of the best for the rest of the project. Kind Regards

GIBS MBA Research Ethical Clearance Committee

## Appendix 5: List of codes

### Research Question 1 –List of codes

Themes	Categories	Codes
Lacking departmental power and	Inability to influence high level decisions	Inability to influence high level decisions
influence	Being reactive	Not agenda setters
		Order takers
		Lagging
	No impact on key business drivers	No impact on key business drivers
	Unclear departmental mandate	Technology taken for granted
		Unclear departmental mandate
	Having no impact on business financial performance	No impact on profit
	Poor relationships with other	No support
	departments	No commitment from others
		Poor relationships
		No commitment between parties
		Avoid working with you
	Internal focus with low risk of causing reputational damage	Internally focussed
		Not client facing
		No impact on reputation of business
		No impact on reputation of customers
Having	Having a direct impact on	Impact on profit
departmental	business financial performance	Financial impact
power and influence		Financial control
i i i i i i i i i i i i i i i i i i i		Financial input
		Impact bottom line
	Client facing	Client facing
	Respected and trusted	Dept leader listened to
	departmental head	Dept leader talking sense
		Dept leader - good recommendations
		Speak with authority
		Instil trust

		Departmental head personality
	Departmental Credibility is good	Good relationships
		Control your area of expertise
		Good departmental reputation
	Board representation	Board representation
	Having an impact on the key business drivers	Impact on production numbers
		Drive business key drivers
	Ability to influence high level	Part of decision making
	decisions	Decision making powers
		Ability to influence high level decisions
	Having a strong departmental	Strong mandate
	mandate	Articulate department's value add well
		Support to execute the dept mandate
		Resources to execute dept mandate

### Research Question 2 -List of codes

Themes	Categories	Codes
Department have	Strategic business partner	Key to strategy execution
power and influence		Influence strategic decisions
illiderice		Create value
	Influential relationships	Personality
		Good Relationships
	Policies and procedures	Policies and procedures
Department have situational power	Situational dependant	Power and influence shifts depending on situation
		Being accommodative
	Business area dependant	Power and influence shifts depending on area within business
	Access to the board or executive level	CEO support
		Board representation
		Exec presentation
		Reporting structure
		Support
	Lack of strategic business partnering	Excluded from strategic decisions
		Power and influence shifts depending on situation
	Policies and procedures compliance requirements	Policies and procedures compliance requirements
Department do not have power	Reactive	Reactive
nave power	Lack of stakeholder management and engagement	Stakeholder management
		Stakeholder engagement
	Not a strategic business partner	Excluded from strategy creation
		Receives instructions
		Strategic business contributions
		Excluded from business decisions
		Structure / strategy contribution
		Strat contributions or decisions?
		Financial contribution
	Reporting structure / access to board or exec level	Communication channels
Transition of power	Transition of power and influence	Currently low influence but changing
and influence	·	Previous low influence

## Research Question 3 –List of codes for enablers of power and influence

Themes	Categories	Code
CEO	Background - Engineering	Numbers focussed in favour of
	Language used	Constructive
		Questioning/ inquisitive / Thought provoking questioning
		Motivating
	Actions / involvement with department	Access to CEO - vast
		Support - vast
		Empower
	Personality	People focused
		Collaborative
		Trust - Instill
		Mistakes - allowed
		Digitally competent
	Knowledge / experience	Sufficient - HR
		Sufficient - IT
		T 1 1 1
Technology	Tools	Technology - adequate
		Choice of technology
		Training
Expertise	Formal qualification	Education
	Financial literacy	Contribution to decisions - Adequate
		Contribution to decisions - Good
		Understanding - good
	Expert in field	Skills - adequate
		Importance of skills
		Skills Collaboration
		Contribution to business decisions
	Credibility	Credibility adequate
Metrics	Business value add	Metrics adequate
		Belief that metrics are relevant
	Tangible	Adequate, tangible
	Metrics would improve the P&I	Power and Influence
T 14		
Top Management	Behavioural integration	Behavioural integration adequate
	Support and respect	Adequate Support and respect
	Believe that service dept can improve business performance	Believe in dept

Cooperation and integration of HR/IT with other departments	Credibility	Adequate communication of value add
		Perception of value add +
	Strategic business partner	Adequate co-operation and integration between departments
		Adequate willingness to support & involvement from business
		Adequate understanding of business need
Policies and procedures	Policies and procedures	Policies and procedures followed

## Research Question 3 –List of codes for inhibitors of power and influence

Themes	Categories	Code
CEO	Background - Engineering	Number focussed at the expense of
	Language used	Destructive
		Confusing
	Access/ involvement with department	Disempower
		Access to CEO - limited
		Support - limited
		Bias against
		Trust - lack of
	Knowledge / experience	Insufficient - HR
		Insufficient - IT
		T
Technology	Tools	Technology - Inadequate
		Implementation - Inadequate
		Technology - resistance to change
Expertise	Inadequate formal qualification	Level of qualification
	Financial literacy and	Contribution to decisions - limited
	contribution on decision making and income inadequate	Contribution to financial performance of
		company - limited Understanding - Limited to average
	Ckille and experience in field	Skills - inadequate
	Skills and experience in field inadequate	'
		Importance of skills
		perceived skills
		Experience - inadequate
	Inadequate Credibility	Credibility inadequate
		Accessibility / unfriendly
	Value of expertise	
	Impact on power and influence	

		Scarce skills not appreciated
Metrics	Business value add	Belief that metrics are irrelevant
		Metrics inadequate
	Intangible	Inadequate, intangible
	Impact on power and influence / Credibility	Metrics do not improve the P&I
	Technology	Technology inadequate
Top Management	behavioural integration	Behavioural integration inadequate
	Support and respect	Lack of support and respect
		Top management not satisfied with dept perf
	Belief if service dept can improve the business performance	Don't believe in dept
Cooperation and	Credibility	Inadequate communication of value add
integration of HR/IT with other departments		Perception of value add -
		Turnaround time too slow
	Strategic business partner	Inadequate co-operation and integration between departments
		Inadequate willingness to support & involvement from business
		Inadequate understanding of business need
Policies and	Policies and procedures	Policies and procedures ignored
procedures	Folicies and procedures	Folicies and procedures ignored