

Bringing HR Strategy to Life: The Importance of Delegated Authorities and How to Make Them Work

Ian Cullwick, Queen's IRC Facilitator

With Guest Commentary from Catherine Stewart, retired Executive Director, Human Resources at the Canadian Olympic Committee, and current Queen's IRC Facilitator

Industrial Relations Centre (IRC)
Queen's University
irc@queensu.ca
613-533-6628
irc.queensu.ca

Introduction

One of the many lessons that the pandemic has taught us is that, more than ever, front-line managers and employees need to be ready and able to respond in the moment to the unprecedented demands and expectations of customers and colleagues alike. Effective empowerment and decentralized decision making, both virtually and face-to-face, are what drive great customer outcomes, as well as an engaged and healthy workforce. And in this dynamic digital age that cuts across diverse “brick and mortar” business models and geographies, the need to deliver customer and employee responsiveness and quality is key to both short and longer-term success. Anything less, and customers and employees alike can easily walk and take their buying power and human capital elsewhere.

So, in the face of these realities, how do employers translate human resources [HR] strategies and well intended policies into effective and responsive HR practices and results? A key driver of this success is the clarity and practical application of one’s HR “delegated authorities”.

Knowing what HR decision making authorities to delegate, to whom, and how they need to be supported and applied have become mission critical HR management realities for most organizations regardless of sector. Delegated HR authorities are key to “how” HR strategy is delivered, how desired workplace cultures and employee productivity aspirations are realized. They are also key to how meaningful line management accountabilities for employee engagement, wellness, and performance are achieved.

As noted by Catherine Stewart, a recently retired CHRO executive, “the unique and interdependent nature of HR management also needs to be taken into account when thinking about HR delegated authorities – functionally, the CHRO is typically accountable and responsible for HR strategy determination, as well as enabling policies, tools and processes, but operationally, many different delegation models may be deployed – with front-line managers being held totally accountable and responsible for all aspects of people management, to being partially or not accountable at all, and where for instance, an HR functional representative or specialist may carry the decision making delegations.”

Delegated authorities, and more specifically human resources management delegated authorities, have quickly become a high performance priority for many progressive organizations. Strategically, clearly defined and implemented HR delegated authorities should be used to determine what aspects of HR management and operations need to be 1) centralized and enterprise-wide in orientation, and therefore the responsibility of executive line and HR leaders, and 2) what aspects need to be decentralized and owned by front-line people managers and supervisors who are the ones actively dealing with and managing day-to-day employee interactions, expectations and relationships – for example, applying and managing the details of a new remote working strategy and program. And given the changing nature and evolution of work into a more interdependent and team-based approach, HR delegated authorities can also be used to clearly profile and allocate shared or “distributed” responsibilities for HR management and operations – for example, how line managers and HR Business Partners or Advisors need to work together to address immediate front-line HR challenges like absenteeism, shift scheduling, workload imbalances, team conflict resolution, overtime allocations, and in-the-moment performance issues.

When these delegations are simply informal and taken for granted, or formally misaligned and ineffective (e.g. overly centralized, bureaucratic and diluted, or too decentralized and resulting in fragmented inconsistencies and inequities), the consequences can be significant and result in many different types of HR and financial challenges, and therefore material risk to an organization’s mandate, brand and employee value proposition.

From Stewart’s perspective, “the profound impact of the combination of digital technologies, the pandemic and tight labour markets on work and job design have served to heighten the importance of high-performance HR management and shortened HR process cycle times – and therefore, the need for more agile and responsive HR delegations and front-line decision making...”

The concept of delegated authorities, let alone its application, is widely misunderstood and poorly applied. While most organizations have well established financial delegated authorities and with related control and approval practices, human resources delegated authorities are generally not optimally managed and in some cases are informal at best. Interestingly, the exception to the general state of HR delegated authorities has to do with labour relations – where it is common practice to have clear authorities and

responsibilities for collective bargaining strategy determination, collective bargaining itself and the related ratification steps, let alone the formal inclusion of clearly articulated grievance processes, roles and decision making right down to the “shop floor”. In addition, emerging HR information systems that include active HR management modules for core processes like recruitment and performance management also offer embedded approval steps and authorizations – but thoughtful calibration appears to be a challenge for many organizations, resulting in confused HR delegated authorities and incremental workload for varying levels of management.

Authority, Responsibility and Accountability

A foundational starting point to begin thinking about the state and effectiveness of one’s HR delegated authorities is the need to define and clarify the key “interdependent” concepts that underpin effective and practical delegated authorities. As illustrated, three core dimensions need to be understood and applied: 1) Authority, 2) Responsibility, and 3) Accountability:



While there are multiple definitions and applications of the word and intent of “accountability”, its essence is best described¹ as an obligation or willingness to account or be answerable for one’s actions or outcomes, ...or of those you lead.² There is also a widely held view that accountability cannot be delegated.

In contrast to “accountability”, is the important concept and definition of “responsibility”, which is all too commonly, and mistakenly, confused with the former.

¹ As defined by Merriam-Webster: America’s most-trusted online dictionary. <http://www.merriam-webster.com/>

² Brewer, W., & Jeff Hopkin. (2021, August 5). Accountability: How to make it meaningful. Association of Talent Development. Retrieved April 12, 2022, from <https://www.td.org/atd-blog/accountability-how-to-make-it-meaningful>.

Essentially, “responsibility” is the act of doing something such as completing a task. Accountability is what happens after responsibility is exercised or once a situation or task is completed.³

“Authority” can be defined as the power and right of a manager to use and allocate people and resources efficiently, and to make decisions to achieve organizational objectives.⁴ Authorities can be delegated but need clarity of scope and nature, and some form of enabling documentation to be effective.

Finally, and from an integrated perspective, there is common view that authority is delegated, responsibility is shared, and accountability is imposed or recognized based on a number of factors. And that fundamentally, delegated authorities need to align with both accountabilities and responsibilities, or some degree of confusion and frustration will reign!

Now, how do these interrelated constructs need to be used to drive and manage optimal HR management actions and behaviours to maximize employee engagement, deployment, and performance? As illustrated, there are a number of key considerations and inputs that need to be taken into consideration in the design or refinement of a practical and strategically aligned HR delegated authority framework:



Guiding Principles

First and foremost is the need for a set of focused guiding principles or criteria – possibly including:

³ Responsibility vs Accountability – What’s the difference? (2020, February 13). SpriggHR. Retrieved April 12, 2022, from <https://sprigghr.com/blog/hr-professionals/responsibility-vs-accountability-whats-the-difference/>.

⁴ Juneja, P. (2021). Delegation of Authority - Meaning, Importance and its Principles. Management Study Guide. Retrieved April 12, 2022, from https://www.managementstudyguide.com/delegation_of_authority.htm.

- the nature of one's product/market strategy and customer interactions, and the need for agile and responsive front-line managerial decision making to align with customer behaviours;
- leadership control preferences for centralization and control, or conversely the desire and tolerance for decentralization;
- the nature of one's organization design and hierarchy, recognizing that lean structures and levels typically require more delegation than not;
- aligning with the maturity of one's management and control practices, including information technology and systems; and
- the maturity and capability of your managerial team, and one's related trust and confidence in their judgement.

HR Accountabilities

A second major consideration needs to focus on an organization's overall approach to HR accountabilities and the various stakeholders that participate in one's HR system. Based on the premise that an organization's HR strategy and system go well beyond the HR function, and include Boards of Directors, Standing Committees, executive leaders, line managers, unions, and of course, employees themselves, formal clarity of HR accountabilities is essential. Clarity is required on what types of accountabilities need to be used [for example, on outcomes alone, or both practices and outcomes], and who holds them:

- for broader outcomes like enterprise-wide productivity and engagement versus operational front-line staff health/safety/wellness and performance; and
- the significant decision on whether HR accountabilities should be materially limited to the executive team and roles, or foundationally driven down to the line and people managers actually leading and managing staff relationships.

Most organizations have not clarified these constructs, let alone determined the enabling metrics and targets, and how accountability will be embedded into consequences like rewards and recognition.

Workforce Composition

A third foundational determinant of one's approach to HR delegated authorities is simply based on the nature of one's workforce and the types of decisions and authorities people managers, team leaders and even employees make, and the authorities they need to operate in people-centric environment. For example, a manager

leading a knowledge-intensive and skilled team in a very dynamic and short cycle customer or market-facing function, likely needs to communicate directly with employees and make a variety of people-management decisions each and every day – where responsibilities [and efforts] likely range from career coaching and mentoring, performance management, time and schedule management, compensation determination, and mental health and wellness awareness. In most cases, the people manager is not going to have time to seek “corporate” policy guidance on each and every circumstance, but rather needs to be capable and empowered to simply manage in the moment. These managers likely need to be held accountable for many different aspects of individual and team performance, and require the commensurate authorities to fulfill their roles day in and day out. Otherwise, the logical tension [and frustration] will simply be “don’t hold me accountable for “x” if you don’t give me the related authorities and resources to manage “x”.

Catherine Stewart also notes that *“the HR business model or functional design influences, and some cases, dictates how much authority and responsibility for HR decision making is delegated to front-line managers. For example, in large organizations with HR Business Partner (HRBP) teams and HR Centers of Excellence (COE), front-line managers usually have responsibility for most decisions impacting their staff (e.g., hiring, compensation, etc.), but in consultation with their HR Business Partner and appropriate COE advisor.”*

With these HR delegated authority constructs and “better practice” considerations in mind, it needs to be noted that there are a number of different scenarios and applications that are alive and well in the world of work. In this regard though, and of critical importance, is the strategic view that your desired HR delegated authority framework will have far reaching consequences and implications for your culture, let alone for direct employee engagement and well-being, and ultimately your workforce’s contribution and impact on your marketplace proposition and brand. So, one’s leadership preferences on the trade-off between more efficient decentralized HR decision making and related employee engagement versus the benefits of centralized and more effective [standardized and consistent] but slower HR decision making needs to be thoroughly examined in the context of an organization’s Enterprise-wide Risk Management [ERM] strategy and desired level of risk tolerance.

Applied Scenarios

To bring these delegated authority concepts and building blocks to life, let’s profile two broad sets of scenarios that, in the absence of formally clarified authorities, accountabilities and roles/responsibilities, can indeed be complex and cause significant frustrations from the Board of Directors down to front-line employees:

Application 1: Executive HR Management

<p>Does the CEO own his/ her <i>executive structure</i>?</p>	<p>Generally, yes, CEO’s have formal delegated authority from the Board to set their own structures, because they will ultimately be held accountable for the outcomes of that structure. Boards, however, need to be “informed” and bring succession management concerns into the conversation.</p>
<p>Does the CEO own and have authority for <i>executive team hiring</i>?</p>	<p>Generally, yes, CEO’s have formal delegated authority to select their executive talent, again because they will ultimately be held accountable for the related outcomes. The Board of Directors, however, needs to be “informed”, and in the case of CFO hiring, may want to be actively involved in the selection decision – this where clear delegated authorities need to be articulated otherwise the risk of process and selection disagreement could become material. It is also interesting to note that while formal delegated authorities and all of details may indeed be clearly documented and understood, one’s delegated authorities and decision making “culture” may run counter to the intent. Depending on personalities or even history, a Board Chair, Committee Chair, or CEO may insert themselves into the process and try to override a hiring delegated authority – “it’s just the way we do things around here...”</p>
<p>Does the CEO own the <i>executive compensation</i> decisions for his/her executive team members?</p>	<p>While the Board, through its HR/ Compensation Committee, has the accountability and authority for CEO compensation policy and how it is administered, once the broader executive compensation philosophy and policy have been approved by the Board, the CEO typically would have delegated authority, accountability and responsibility for how it is managed, and the base salary and variable pay decisions for each of his/ her direct reports. Most Boards, however, will want to be “informed” about those</p>

	decisions, and in the absence of clear delegated authorities, may actually try to insert themselves into the performance and pay determination process, with the risk of undermining and compromising the CEO’s judgement and authorities.
--	--

Application 2: Front-line Staff Management

While the governance and management of executive HR strategies and practices may be perceived to be more straightforward, the application of HR delegated authorities to line managers to lead and guide their front-line employees is highly varied and in many cases, very inefficient and ineffective – as such, the following scenarios shed light on the challenges and possible delegated authority solutions to bring clarity to critically important people management practices on the front-lines:

<i>Front-line hiring and promotions?</i>	Given the volume, variety and value of front-line jobs and incumbents, related external hiring and internal staffing practices can be very complex and confusing. While line managers have what they believe to be the accountability for hiring outcomes and the authority to make selection decisions, their immediate senior managers may think otherwise and insert themselves into the process; further, there may also be confusion about the HR function’s role in the process – do HR Advisors or Business Partners play a process role, or both a process and selection role? And what is state of enabling recruitment systems and controls? All of these considerations, and more, need to be taken into account when determining the extent of hiring delegated authorities. Ultimately though, it starts with “accountability” – if you are going to hold your line/people managers accountable for hiring decisions and related team performance, then they need selection authority, and “responsibility” involvement [likely with HR] in the processes and practices.
<i>Front-line staff engagement and wellness?</i>	The impact of the pandemic has served to shine a strong light on the importance of workplace health/safety and wellness. More specifically, it has elevated the importance for clear and effective managerial practices that engage and respond to employee needs and in-the-moment circumstances. As such, people managers need clarity on their delegated authorities – do they have the power, control, and capability to manage these relationships and

	<p>operations directly, or do they need to be escalated to an incremental senior managerial level in the hierarchy? And again, because of the pandemic and its impact on work, decisions on key and tactical front-line work practices have become the pivot point to success or failure – for instance, how a “remote or hybrid work” policy is to be applied and operationalized, flexibility or not on shift or staffing hours of work, the scope and nature of coaching and training commitments – these are all examples of HR operational circumstances that ideally need to be supported by simple but effective delegated authorities to manage the risks of employee disengagement and talent shortages, compromised quality, and ultimately, disenfranchised customers.</p> <p>As noted earlier in the previous scenario examples, the starting point in the delegated authority discussion needs to address who is to be held accountable for individual and team performance, let alone employee wellness and engagement? In the contextual case of “remote or hybrid work” strategies and policies, the delegated authority trends are variable and evolving, with accountability for policy outcomes typically resting with CEOs and executive teams, but shared responsibility and authority for front-line employee processes and decision making resting with line managers and local HR representatives – creating somewhat of blurred picture!</p>
<p>Front-line <i>compensation</i></p>	<p>Front-line staff compensation can be a complex delegated authority topic for a number of reasons – balancing the need for 1) clear [and centralized] enterprise-wide policies, programs and controls to drive consistency, equity and cost-effectiveness, versus 2) more tactical front-line decision making and face-to-face interactions on topics like overtime allocations, volume-based variable pay, spot rewards, acting appointments, re-classifications, sick leave, and even how to respond to a competing employment and compensation offer from a competitor. In the case of front-line HR and compensation operations, it is imperative that organizations have clarity on their delegated authorities – to line/people managers, to local or business-unit HR Advisors, elevated to an incremental senior manager role, or to more senior HR managers? Anything less will result in confusion, and frustration.</p>

	<p>Again, a starting point likely lies with the level of accountability and risk tolerance that an organization wants to embrace given the nature of its business model and workforce profile, and then the nature of the authority and [responsibility] practices that are required to enable the “accountability”. And how does the scope and nature of work design and marketplace responsiveness impact the balance and trade-off centralized policy and process control with operational expediency and empowered front-line employees.</p>
--	--

Where front-line managers are provided significant accountability and responsibility for HR/People decisions, it is critical that they receive specific training and have access to well-defined guidelines, processes, and communication templates/key messages.

Moving Forward

As organizations think through their philosophy and approach to HR delegated authorities, and the extent to which framework and application changes may need to be refined or even foundationally developed, the following five priorities are recommended for consideration:

1. Confirming your organization’s overall approach to accountability and risk tolerance – for some employers, the leadership preference is for a more centralized and controlled approach with less delegation and empowerment, and the recognition that there will indeed be implications, namely constrained front-line agility and responsiveness, and the risk of both managerial and employee frustration; for other employers, the preference is to embrace high levels of delegated authority to support more specific accountabilities and enabling management practices, ultimately to drive a customer/marketplace strategy that requires a more agile and responsive workforce. Either way, there is a need for formal articulation and communication of the organization’s accountability and risk strategy, and how it translates into intended management practices and behaviours.
2. Examining the current state of your financial and other [e.g. operational] types of delegated authorities – how they are configured and sustained, what works and is applied well, what is documented and translated into management practices and behaviours, and how they are enabled in terms of systems, processes and

controls. Then, how can these successes and strengths be applied to your HR system and set of practices.

3. Ensuring that manager and supervisory role definitions and job descriptions are up-to-date and calibrated to the key HR decisions they need to be accountable for, and the commensurate authorities and responsibilities required to lead and engage their respective teams. This effort can also be supported with simple and clearly worded RACI charts [for core HR priorities and programs] that summarize and allocate Responsibilities, Accountabilities, Consulted and Informed roles for all key stakeholders – the Board, Standing Committees, CEO, executive team, CHRO, HR specialists, and employees themselves.
4. Recognizing that managerial capability and capacity are required to lead and manage one’s HR strategy and operations, ensuring that related education and training programs are implemented to enable one’s HR delegated authorities – and that this ongoing training is offered to people managers and HR specialists alike, and is embedded into onboarding programs and even performance management plans.

As Stewart astutely reinforces, “where front-line managers have formal and significant accountability and responsibility for HR/people decisions, it is critical that they receive specific training on how to execute these delegations, and have access to well-defined guidelines, processes, and specialist advice...”

5. Fifth, and ideally, is the need to create and use a focused set of quality and risk metrics to monitor and report on the efficacy of one’s HR delegated framework, and related insights and implications for ongoing refinement and improvement.

Finally, and in conclusion, HR delegated authorities are contextually important in this day and age, and can clearly be used to drive tremendous managerial value and front-line engagement. But as this article demonstrates, there are a number philosophical, strategic, and tactical considerations that go into how they can and should be used. While HR delegated authorities are becoming a contemporary better practice and a core part of HR strategy execution and internal governance, “one size does clearly not fit all”.

And based on her years of HR and business leadership, Stewart notes that “HR delegated authorities need to be kept as simple and as focused as possible, and always allowing for refinements as organizational circumstances and leadership preferences change.”

About the Author



Ian Cullwick is a retired partner with an international consulting firm, and has served as the Vice-President of HR and Organization Research at the Conference Board of Canada. Ian specializes in performance management, human resources strategy, and organization design. He has advised a broad cross-section of organizations in both the private and public sectors, including high technology companies, financial institutions, crown corporations, health care and not-for-profit organizations. He is also a noted thought leader and has authored a number of articles on organization design, performance management and compensation strategy. Ian has an MBA from the Ivey Business School (Western University), an MIR from the University of Toronto and an undergraduate degree from Queen's University.

Ian is the lead facilitator for Queen's IRC's [Performance Management](#) program, and a co-facilitator for the [Strategic Workforce Planning](#) program. He has also taught several Queen's IRC custom programs on Board governance.

Guest Commentator



Catherine (Cathy) Stewart recently retired as the Executive Director, Human Resources for the Canadian Olympic Committee (COC). Following a major review of the organization in 2015, Cathy successfully led the transition of the COC and Canadian Olympic Foundation (COF) to being certified as a Great Place to Work by the Great Place to Work Institute© in 2019, 2020 and 2021 and recognized in 2020 and 2021 as one of Canada's Best Workplaces™ and one of Canada's Best Workplaces™ for Women and Best Workplaces™ for Mental Wellness in 2021. Cathy is now working as an independent HR consultant, assisting organizations across a spectrum of HR functional areas. She has extensive experience as a business leader and HR executive with an excellent reputation for building relationships, and collaborating with senior leadership and cross functional teams in organizations to develop and implement HR strategies. Cathy has a Physical Education undergrad degree and MBA with a focus on Organizational Behaviour from York University. She is a Certified Human Resources Leader (CHRL).

Cathy is a co-facilitator for the Queen's IRC [Strategic Workforce Planning](#) program.

References

Brewer, W., & Jeff Hopkin. (2021, August 5). Accountability: How to make it meaningful. Association of Talent Development. Retrieved April 12, 2022, from <https://www.td.org/atd-blog/accountability-how-to-make-it-meaningful>.

Responsibility vs Accountability – What’s the difference? (2020, February 13). SpriggHR Retrieved April 12, 2022, from <https://sprigghr.com/blog/hr-professionals/responsibility-vs-accountability-whats-the-difference/>.

Juneja, P. (2021). Delegation of Authority - Meaning, Importance and its Principles. Management Study Guide. Retrieved April 12, 2022, from https://www.managementstudyguide.com/delegation_of_authority.htm.

Merriam-Webster. (n.d.). "Accountability". Dictionary by Merriam-Webster: America's most-trusted online dictionary. Retrieved April 12, 2022, from <http://www.merriam-webster.com/>



Industrial Relations Centre (IRC)
Queen's University
Kingston, ON K7L 3N6
irc.queensu.ca

