# **SECTION 3**

# HR Education in Business Schools

hapters in Section 2 described Master's-level HR programs in IR and I/O psychology. There is no comparable chapter on Master's-level HRM education in business schools. The reason for this state of affairs is variability in course offerings. As Cohen discusses in Chapter 18, accreditation bodies and faculty composition play a role in the development of all educational curricula. Graduate faculty field identification plays an even greater role in the development of graduate curricula in management departments of business schools than the role played by general faculty at the undergraduate level. Each department's faculty tries to maintain or increase its core course offerings, as these generate required student enrollment and thus provide additional resources for the department. Within management departments it is very difficult for a small group of faculty, such as HRM faculty, to get their course listed as "core." Compared to other departments in the college, faculty in management departments are field diverse (e.g., OB, HR, strategy, operations, and sometimes others). Although one "behavior" course is specified by the business school accreditation body (AACSB), the core course is typically an organizational behavior course. As a general rule, there are more OB faculty in business schools than HRM faculty. Consequently, the MBA and BBA core tends to include a course in organizational behavior, not in HRM. Within business schools, there also tends to be confusion among faculty and administrators as to the differences between OB and HRM. That confusion results in development of specialized Master's programs, using the label HRM, whose faculty are not proficient in the functional areas of HRM. Because of all of these reasons, Master's "HRM" graduates of business schools will vary in their HR expertise. This is less true for BBA graduates.

The undergraduate business HRM major is required to take all business core courses. As well, the undergraduate HRM major is normally taught by faculty who are functionally proficient in HRM. Thus, although there is no chapter specifically describing HRM Master's-level education in business schools, this section of the book contains three chapters on the topic of undergraduate HRM education in business schools. Recognizing a need to recharge HRM undergraduate education, Chapters 5, 6, and 7 discuss four approaches to educating undergraduates in business schools: University of Wisconsin-Eau Claire, Ohio University, University of Colorado, and Copenhagen Business School. The last approach is typical of the European approach to HRM.

In Chapter 5, Bergmann and Lester discuss key elements of a successful undergraduate educational program in HRM at the University of Wisconsin-Eau Claire and ways students can effectively learn and demonstrate their competencies. The chapter focuses on ways students can learn technical HR knowledge and skill and develop a range of other competencies necessary for job and career success. Besides functional HR courses, their HR curriculum emphasizes oral and written communication and includes one course in organizational change and also the capstone course in business strategy. The authors further emphasize the use of a wide range of curriculum delivery tools, including exercises, cases, projects, and a paid internship. Additionally, they discuss the advantages of SHRM student memberships and the value of the professional HRM certification exam.

Thacker starts Chapter 6 by suggesting that some major changes should be made in approaches taken to educate HRM majors in undergraduate business school programs. In describing the recommended changes, she presents a four-pronged approach to undergraduate HRM education at Ohio University: textbook, application, competency development, and integration. She explains through examples how all four elements are necessary and can be incorporated into the educational process through careful planning. Her teaching goal is to both ground the student in the required body of knowledge and test the application of that knowledge. Thacker notes that textbook knowledge acquisition is the first step in education, and this knowledge should be delivered by a professor with understanding of the material. Memorization and exposure to basic principles are also necessary steps before application can lead to effective learning.

In Chapter 7, Balkin and Schjoedt view HRM as an individual manager's responsibility. Even so, they describe two very different applications of Mahoney's Model 3. At the University of Colorado-Boulder, undergraduate HRM education is focused on preparing undergraduates to work primarily in small businesses and entrepreneurial ventures in which functional HRM skills are embedded within broader managerial roles. The Copenhagen Business School also focuses on developing individuals with general business competence. However, Copenhagen's HR preparation differs significantly from that of Colorado and other HR programs in the

United States. Specifically, the HR coursework consists of two electives, reading lists, thesis, and internship. The two HR courses are not functional and in the U.S. would be labeled organizational behavior courses. The students sample numerous HR topics rather than receive a comprehensive presentation of one or more HR functional areas. Chapter 7 presents relatively detailed descriptions of both approaches.

## Developing Quality Human Resource Professionals

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Identifying the Appropriate
Undergraduate Curriculum,
Applying Human Resource
Competencies, and Validating
Human Resource
Competencies

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e believe that HRM education is embarking on a major transformation. By being cognizant of and responsive to the concerns of organizational leaders and established human resource professionals, we believe that educators can have a positive impact on the contributions of new practitioners entering the field. In this chapter, we examine the key elements of a successful undergraduate educational program in human resource management. We discuss ways that students can effectively learn and demonstrate their competencies to potential employers who are hiring for an entry-level position. More specifically, we focus on the following important issues in undergraduate HRM education: (1) an appropriate

undergraduate curriculum for human resource management majors, (2) the value of an internship as part of the learning experience, (3) the advantages of being an active member in a student chapter of the Society for Human Resource Management (SHRM), and (4) the benefits of having majors prepare for and take SHRM's "Professional in Human Resources" certification exam as part of their educational process.

The questioning of the status of human resource management education is really not a new topic. Herbert G. Heneman, Jr. and others in the early 1980s questioned the appropriate educational background for individuals entering the HRM field. The issue arose at that time because the nature of the field was shifting from the study of labor-management relations, that is, primarily union-management relations, to employee relations that include both union and nonunion employment relationships (Heneman, 1999). This shift was due in part to the decreasing percentage of the unionized labor force and to the implementation of new management practices and a changing employment relationship.

So why are professionals and educators once again questioning the status of HRM education? As the new millennium gets underway, American business finds that it is witnessing significant changes in the employment relationship due to a variety of operating problems. Changes in the employment relationship are once again requiring human resource educators to examine the role human resources will play in the strategic direction of business and consequently the educational background required of human resource professionals to be active partners in the strategic decision-making process. We believe that, once again, human resource education is going through a major transformation that can have a positive impact on the human resource field.

The field of human resources faces serious challenges as it attempts to deal with a dynamic and often hostile business environment. As organizations face an increasingly competitive marketplace, management is analyzing all facets of the organization to reduce operating costs. Because labor cost makes up a significant percentage of most organizations' operating costs, it is an area that constantly comes under scrutiny. It has traditionally been the responsibility of the human resource department to design and implement an employee relations program that will enable the organization to recruit, develop, and retain the best employees without significant concern about other business issues—a silo approach.

There are some who believe the future of the human resource function will go the way of the dinosaur, that is, it will become extinct. They believe that individuals within the human resource unit have become a hindrance to the organization's ability to adapt to the changing workplace and that it has become at best an unneeded overhead expense. And with a silo attitude, that might very well be true. But there is increasing evidence that the human resource function is significantly changing and that it will continue to evolve (Barber, 1999; Heneman, 1999; Losey, 1999; Thacker, 2002).

Organizations must still be able to recruit and retain competent employees in a tight labor market in order to serve their customers in an efficient and effective way; if human resource professionals are educated to view the big picture of corporate strategy, they can assist the organization in the implementation and development of its strategic plan.

To be sought-after members of the evolving human resource profession, poised to be successful partners with members of the other business functional areas, students must be aware of the critical competencies they should develop while completing their undergraduate education. New human resource professionals whose value to the organization exceeds their cost will yield returns to the organization sooner and thus will be perceived a more valuable asset acquisition. It is critical that undergraduate students are able to demonstrate competencies because it will give them an edge over other applicants attempting to enter the field; they will be able to show their learning curve will be faster than the competition. How can students develop these competencies and demonstrate to potential employers that they possess them?

This chapter addresses three ways for undergraduate students to develop and demonstrate competencies to a potential employer who is looking to fill an opening for an entry-level human resource management position:

- Successful completion of appropriate course work that incorporates sufficient background in the functional human resources areas along with an internship that can show the potential employer that the knowledge and skill gained in the university transfers to the workplace.
- 2. Active membership in a student chapter of SHRM that indicates both interest and interaction beyond the minimum.
- 3. Successful completion of SHRM's "Professional in Human Resources" (PHR) certification process to validate an individual's content knowledge in the functional human resource areas.

## HRM Competencies and Curriculum

In recent years a number of articles have addressed the competencies, knowledge, and skills an individual must posses to be an effective human resource professional. Ulrich, Brockbank, Yeung, and Lake (1995) presented a framework for three domains of human resource competencies: knowledge of the business, human resource functional expertise, and managing change. The framework—a result of a survey of 12,689 individuals in 109 firms—found that human resource professionals were perceived as more effective if they could (1) demonstrate an understanding of

how business actually operates beyond their own field (e.g., finance, accounting, strategy, technology, marketing-business knowledge), (2) transfer their specific knowledge into effective human resource practices (staffing, development, appraisal, rewards, organizational design, and communication), and (3) manage the organizational change process (e.g., analyzing and solving problems, leadership, building relationships, and establishing goals). In follow-up research by Brockbank, Ulrich, and Beatty (1999), two additional domains were added: cultural management (help firms deal with different mindsets) and personal credibility (integrate values and beliefs that build positive relationships with internal and external customers). Research by Losey (1999) identified an HR competency equation that includes intelligence, education, experience, ethics, and interest that can fit into the above framework by Ulrich et al. (1995) and Brockbank et al. (1999).

In designing an undergraduate curriculum it is essential to look at what the relevant literature identifies as the critical competencies that will be required of human resource professionals in the future. The literature indicated that becoming proficient only in human resource practices does not fully prepare an individual to be an effective professional. The future professional must have competencies not only in the traditional areas within human resources (e.g., staffing, development) but also the business functions (e.g., strategy, finance) to be able to understand and manage change (e.g., leadership, vision) and have personal credibility. The increased emphasis on the business functions and the management of change has resulted in increased training of practicing HRM professionals in the functions of business. This is evident in offerings by SHRM Academy. On June 22–23, 2002, the Academy provided a day-and-a-halflong course in either finance, individual and organizational change, or marketing or business strategy to 100 practicing HRM professionals. The success of the program resulted in a second offering on October 24–25 in Chicago (Clark, 2002). As long as there is demand, these offerings are continuing.

Where can one find information about the current state of practice, which can be useful to consider when developing an appropriate human resource curriculum? One approach is to be personally involved in practice. Another is to contact SHRM for information. SHRM is the largest professional organization devoted to the field of human resources. It has approximately 180,000 members and has developed a certification process to validate the human resource knowledge of its professionals. SHRM examinations focus on a common body of knowledge built around the following domains: strategic management, workforce planning and employment, human resource development, compensation and benefits, employee and labor relations, and occupational health, safety, and security (HRCI, 2002). These same issues are usually the content of introductory textbooks in HRM, although depending on the author's perspective, some

of the topics are not included. Thus, it is useful to examine the content of SHRM examinations as well.

Business executives have complained about the poor communication skills of most college-degreed applicants in general, and human resource applicants have been no exception. It is critical for students who wish to obtain an entry-level HRM position to develop their oral and written communication skills. Most universities require a freshman English composition course; however, that by itself is totally inadequate. It is important for students to take additional written communication courses, especially those designed to focus on business communication, such as business report and memo writing. Papers written for all business courses should be reviewed for appropriate grammar, sentence structure, and style.

Oral communication also needs additional attention. Students should take a number of oral presentation courses to improve their presentation skills and their interpersonal communication skills. Such courses, designed for business, emphasize conducting meetings and leading team projects as well as making presentations to an audience. The emerging human resource professionals will not fulfill their true potential by solely understanding the functional areas. They must also be able to communicate their ideas effectively, in a manner that allows colleagues to understand the reasoning behind the human resource policies and practices that are being suggested or implemented. We also believe that students should experience and use advanced business technologies in their communication courses because this is what they will be expected to do for their employer.

Seven years ago the University of Wisconsin-Eau Claire's (UW-Eau Claire) College of Business doubled the written and oral communication course requirements for all business majors. In addition, upper-level business courses significantly increased the number of technologically enhanced activities required as part of regular course requirements. For example, students learned to create professional-level presentations using presentation software and experienced classes conducted with electronic meeting software. The feedback from recruiters has been overwhelming positive. They have told us that our students present themselves better than other students, and this has resulted in an increased desire by recruiters to interview on campus. Even when other institutions were experiencing a drop in recruiters, UW-Eau Claire was seeing a significant increase.

Academics and others who continuously interact with the business community indicate the importance of the undergraduate curriculum not only reflecting the common body of knowledge as identified by SHRM, but also including basic course work in the various functional areas of business and courses that will permit students to understand and champion organizational change (Brockbank et al., 1999; Losey, 1999). In fact, 42% of human resource professionals surveyed in the United States identified the management of change as the most critical competency for being effective in their jobs (Ulrich et al., 1995). HRM majors at UW-Eau Claire

are required to take a course in organizational change as well as complete a capstone course in business strategy that forces them to integrate their human resource knowledge with their understanding of other business functions. However, sending students through lecture courses (even with PowerPoint) in each of these areas will not provide them with the competencies required to be successful. A successful educational program must take steps to increase the transfer of knowledge from the classroom to the business environment. Several approaches can facilitate this transfer process.

First, the course design must require the students to apply the theories, principles, and concepts being taught to a variety of business situations. Just as the human resource professional must become an active partner with line managers at all levels and assist them in increasing the competitive advantage of their unit and the organization as a whole, the educator should design application exercises, cases, and projects such that the students learn not only how to apply human resource practices, but also how to fit them into a larger business context (Barber, 1999; Brockbank et al., 1999). Activities would include a combination of human resource practice applications and larger projects that force students to consider external factors such as product and labor market issues, both domestic and global, cost constraints, and other financial and strategic issues (Barber, 1999; Thacker, 2002). This increased strategic emphasis will enable the professionals to increase their personal credibility, as they can view employee issues from a broader perspective and thus are able to integrate human resource strategies better with organizational goals and strategies.

Building partnerships with local companies can improve both the curriculum and the practical value of course projects. Universities can invite respected professionals from their community to serve on an advisory board (Thacker, 2002). These individuals can provide feedback about the strengths and deficiencies of previous graduates in the field. Two benefits of this feedback are (1) increased knowledge of the types of applied projects that would benefit students and (2) the likelihood that the advisory board will be willing to give students access to their companies to complete the applied projects they recommend.

And yet, coursework is not enough, even with the best cases and other activities that require students to apply content specific practices in a variety of situations while considering both the short-term and long-term impact on all organizational units and the organization's goals. If at all possible, students need real-world practical experience so they can observe these human resource practices in action and view the impact these practices have on the strategic direction of the organization. One of the most effective methods for students to gain this experience is through a paid internship. We emphasize paid internship because it has been our experience that unpaid internships do not provide the student with the in-depth experience they need. An organization that pays interns is more diligent in

finding meaningful work, as opposed to low-level clerical tasks that do not permit interns to gain the experience potential employers value. This does not mean that all unpaid internships should be rejected. Indeed, some organizations provide the students with relevant experience even though they will not or cannot pay the interns.

It has been our experience that a student who has been on an internship does better on examinations, provides more pertinent information during classroom discussion, does a better job on cases and other applied activities, is a more effective leader in team activities, and has a broader perspective in reviewing course materials. Even though we have not kept official records, many years of observation indicate that UW-Eau Claire students with internships generally interview better and receive more job offers, both in human resources and in other management jobs. These observations are in line with national figures regarding the benefits of internships. For example, employers rated internships as one of the most effective tools for identifying and recruiting candidates for full-time positions. Furthermore, those employers who were surveyed indicated that they made job offers to 57% of their interns and 62% of these offers were accepted (Gold, 2001). By gaining work-related experience during college, graduates are more likely to be employed within their fields of study and are able to secure employment more quickly following graduation (Kysor & Pierce, 2000). In summary, the literature and our experience indicate that potential employers wish entry-level human resource professionals to have experience before starting a job. Internships provide students with the opportunity to fulfill this entry-level job requirement.

### Participation in Student Chapter of SHRM

College campuses that are serious about educating potential undergraduates for entry-level HRM jobs have active student chapters of the Society for Human Resource Management. The purpose of these chapters is to increase student awareness of the field of HRM. In a way, the chapter experience provides students with a "realistic job preview" without actually having a job in the field. This is accomplished by having the student group engage in such activities as conducting projects for the local professional SHRM chapter (e.g., wage and benefits surveys, review of local performance appraisal practices), having guest speakers from the local professional SHRM chapter make presentations and engage students in dialogue on relevant human resource topics, and coordinating resume and interviewing workshops in which professionals critique students' resumes and run them through mock interviews.

Student chapters of SHRM are relatively small in comparison to some other students groups (e.g., American Marketing Association, Student Accounting Association). Therefore, students have a good opportunity to take on a leadership role. One competency that has been identified as important for the HR professional is that of leadership, and student SHRM chapters provide students with the opportunity to take on an officer's role, committee chair position, or special project chair. The ability to come into an interview and provide concrete examples of tasks an individual was able to accomplish in a student group usually impresses interviewers, who are familiar with how hard it is to lead and motivate college students with conflicts among school, jobs, and an active social life.

SHRM student leadership also provides students with experience in leading a relatively diverse work team. Most campuses are more diverse than the community from which many of the students originate. Students have an opportunity to lead committees that consist of individuals from diverse backgrounds, a more likely representation of the diversity they will experience in a work setting. By interacting with the local professional chapter of SHRM, the leaders of the student chapter will also gain valuable experience in sharpening their communication skills and other business skills. One additional benefit is that active membership and leadership in SHRM demonstrates to potential employers that the students are truly interested in the HRM field and are willing to contribute to the field by taking leadership roles. We have found that well over 50% of the officers seek out and attain human resource internships and over 50% of the officers obtain human resource professional positions by graduation or shortly thereafter.

#### The Value of SHRM Certification Examination

The issue of validating an individual's knowledge is more critical for a student with limited or no human resource experience than it is for someone who has been practicing in the profession for years. Even beyond completing the appropriate coursework and gaining initial experience either through a human resource internship or through a leadership role in the local student SHRM chapter, there is a method by which students can validate their knowledge in the field—the PHR certification exam. This is not strictly a student examination. Professionals without formal training in human resources, but with experience, often use the certification process offered by SHRM to validate to employers that they have an adequate background in the total human resource function. By passing SHRM certification test they can demonstrate that they have the technical background to perform the job, thus improving their marketability. For students, it may even be more important to use SHRM certification test to validate their knowledge. During times of documented university grade inflation, employers can use this test to level the playing field for all applicants and ensure that the applicant has at a minimum the technical human resource knowledge necessary to perform the job.

SHRM certification test that college students are eligible to take is the Professional in Human Resource Management (PHR). Current students are permitted to sit for the PHR for a reduced price but must complete the Human Resource Certification Institute Student/Recent Graduate Verification Form prior to the examination. Students passing the examination cannot use the PHR designation until after they have obtained two years of exempt human resource work experience, provided an official transcript documenting graduation, and paid the remainder of the examination fee (HRCI, 2002). We have found that employers have a very positive view of students passing the PHR examination and look at it as something that makes the applicant distinct from many other applicants. This distinction may be particularly advantageous for graduates as employers continue to increase their use of online recruitment methods. Specifically, certifications serve as a tool to help companies narrow down their applicant pool for a human resource position to more manageable numbers (Cohen, 2001). Since spring of 1999, 106 management majors at UW-Eau Claire have taken the PHR examination and 86 have passed, giving us an 81% pass rate. This pass rate is above the national average of 66% of all individuals taking the PHR certification examination.

The certification test provides faculty one additional piece of information regarding curriculum design. As mentioned earlier, it breaks the material into six functional areas. For each of the six functional areas it provides the percentage of the PHR examination that each area will make up, thus providing a weighted importance for each area based on judgment of SHRM professionals. It should be noted that the percentages for the areas differ on the basis of whether an individual is taking the PHR or the Senior Professional in Human Resource Management (SPHR, which is not available to students). The following is the percentage coverage of each of the functional areas for the PHR test: strategic management (12%), workforce planning and employment (26%), human resource development (15%), compensation and benefits (20%), employee and labor relations (21%), and occupational health, safety, and security (6%; HRCI, 2002). We are not saying that an undergraduate human resource curriculum must parallel the percentages just listed, but that the content areas and percentages can be used as general guidelines on what SHRM identifies as important for entrylevel positions.

Summary

The field of human resources is a very competitive one in which more individuals are seeking positions than there are openings. Thus, to be

considered legitimate applicants for entry-level positions, undergraduate students must be properly prepared. The demand on professionals is changing. If the field is going to survive it must adapt to the demand placed on it or it will die, as some have predicted. One significant change is the increase in business knowledge competencies that will be required of human resource professionals in the future. Curricula should be designed to provide students with adequate education in such areas as accounting, finance, and technology so they can be more active partners with line managers who are attempting to design and implement strategies that will accomplish organizational goals as efficiently and effectively as possible. Human resource professionals also need to have training in the area of organizational change. The business curriculum should place a greater emphasis on both written and oral business communications. The ability to communicate effectively is a critical skill when it comes to successfully managing change initiatives. The student must still be well versed in the traditional functional areas of human resource practices (e.g., staffing, training, performance appraisal, compensation) because those are the skills they will likely apply in their initial assignments. Students can validate this knowledge by passing SHRM's PHR examination. In addition, students must demonstrate that they can transfer this knowledge to the work environment and that they possess the leadership skills to influence behaviors. This can be accomplished via human resource internships, part-time human resource jobs, and leadership positions in student SHRM groups.

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