

## A Critical Review of The Three-Box Model for HR Organization Design

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### SUMMARY/ABSTRACT

Over the last 10 years, Human Resources transformation has been the rage across the business world – with four out of five Chief HR Officers identifying improving HR Functional Effectiveness as one of their top priorities. (Corporate Leadership Council 2007) Many of these transformations are undertaken using the so called HR Three-Box Model as the design construct in which to organize the HR function. The HR Three-Box Model, based on the work of Dave Ulrich, (1997) intends for HR to be more economically feasible, scalable and more influential in the business. Unfortunately, the design and its implementation rarely achieve any of these with the robustness originally intended. There are two main reasons for this under-performance – neither of which has to do with the people involved.

First, the 3-Box concept contains inherent flaws and implied tradeoffs within the model that often remain unaddressed and unresolved. These unresolved design issues are then acted out during implementation, significantly affecting internal customers, HR staff and management who have to live within this model.

Second, the implementation of the model is significantly flawed, exposing how little HR professionals and those consultancies who “help” them with implementation truly understand about organization design and change. Ironically, this serves to only undermine the collective credibility of the HR community when one of the main intents of the model is to increase HR’s influence with the business.

This article examines the Three-Box Model concept for HR transformation by:

- Explaining the model and its origins
- Discussing why organizations are implementing this model for HR
- Critically reviewing the model from an organization design perspective and identifying its inherent flaws and trade-offs
- Identifying critical implementation issues for HRD’s to address when transforming HR using Ulrich’s work as the inspiration for the change

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#### *About the authors:*

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