

Study Unit 1

Database Concepts and Applications in HRIS

1. Briefly describe the evolution of human resource management (including the changing role of the HR professional)

The changing roles:

- ✓ **Strategic business partner** – focuses on aligning HR strategies and practices with the overall business strategy
- ✓ **Administrative expert** – designs and delivers efficient HR processes, such as training, performance appraisal and compensation
- ✓ **Employee champion** – involved in day-to-day problems managing employee contributions
- ✓ **Change agent** – manages change and transformation in the organisation

2. Discuss the impact of computer technology development on the evolution of HRM and HRIS

Impact of technology on HR will save time and HR will be able to focus more on complex aspects and task.

- ✓ Technology can influence and change HR but it cannot replace people, but rather enhance their capabilities.
- ✓ When an organisation decides to use an HRIS, it will have to ensure that it takes the organisational politics into account, for example, when implementing this system.
- ✓ The role of HR will change and many of the traditional HR administrative tasks will be technology driven
- ✓ Technology driver automation (IT) and the redesign of work processes help reduce costs and cycle times as well as improve quality.
- ✓ IS can help decision makers to make and implement strategic decisions
- ✓ Technology significantly decreases the time required for administrative tasks
- ✓ HR can begin to allocate resources to more complex, strategic and transformative activities

3. Describe the three typical types of HR activities

- ✚ **Transactional HR activities:** Routine bookkeeping task like changing employee's home address or health care provider. Changing the work records like personal details, contact details and basic information. Day to day transactions, basic information, status, contact details, dependants, etc. **Note:** This information should be correct and up to date!
- ✚ **Traditional HR activities:** Basic HR activities focussed on HR programmes like Recruitment, selection, compensation, training and performance appraisals. payroll, scheduling of training, maintaining personnel files, organisational structures, etc. **Note:** Some organisations have made these self-service activities and developed them further to guide the process of routing transactions and processes. However, these are often more complex and often require some integration between different programs.
- ✚ **Transformational HR activities:** the actions of the organisation to add value to the consumption of the organisational products and services. Like training programme for employees to improve customer services, which has to be identified as a strategic goal of the organisation. Increase the strategic importance and visibility of the HR function of the firm. Strategic HR management, Strategic workforce planning, Performance measurement and rewards, Managerial development, other activities contributing directly to the success of the organisation
Note: These activities are more complex and managers can benefit the most by having HRIS support to execute them correctly.

4. Explain the purpose and nature of an HRIS

An HRIS is a computerised system used to acquire, store, retrieve, manipulate and distribute information about the human resources in an organisation. It includes computer hardware and HRIS software, which still have to be operated by people. Included in the system are forms, policies, procedures and data.

Primary purpose of HRIS is:

- To provide service in the form of accurate and timely information to the "clients" of the system for strategic, tactical and operational decision making.
- Avoid litigation like identifying discrimination problems in hiring
- Evaluate programs, policies or practices like effectiveness of training program
- Support daily operations like helping managers monitor the work time and attendance of employees

5. Discuss the differences between the functionality of types of information systems in an HRIS

Organisational Level	Type of System	Major Goals and Focus	HRM Examples
Operational	Transaction Processing System (TPS)	<ul style="list-style-type: none"> Improved transaction speed and accuracy Improved efficiency in processing of daily business transactions Automation of routine transactions Reduce transaction cost 	<ul style="list-style-type: none"> Payroll Processing Time and Attendance Entry Online creation and dissemination of application forms
Managerial	Management Information System	<ul style="list-style-type: none"> Provides key data to managers Supports regular and ongoing decisions Provides defined and ad hoc reporting 	<ul style="list-style-type: none"> Producing EE03 Reports Calculating yield ratios for recruiting Calculating per capita merit increases
Executive	Executive Information System	<ul style="list-style-type: none"> Provides aggregate, high level data Help managers with long range planning Support strategic direction and decisions 	<ul style="list-style-type: none"> Succession Planning Aggregate data on Balanced Scorecard

Different types of HRISs (2)

Organisational Level	Type of System	Major Goals and Focus	HRM Examples
Boundary Spanning	Decision Support System	<ul style="list-style-type: none"> Interactive and iterative managerial decision making Supports forecasting and what if analysis Supports business simulations 	<ul style="list-style-type: none"> Staffing needs Labour market analysis Employee skills assessment
	Expert System	Embed human knowledge into information systems Automate decisions with technology	Resume keyword searches
	Office Automation System	<ul style="list-style-type: none"> Designing documents Scheduling shared resources Communication 	<ul style="list-style-type: none"> E-mail training room scheduling
	Collaboration Technologies	<ul style="list-style-type: none"> Supports electronic communication and collaboration between employees Support virtual teams 	<ul style="list-style-type: none"> Communication supporting e-learning Online meetings and shared documentation HR departmental wikis
	Enterprise Resources Planning System	<ul style="list-style-type: none"> Integration and centralisation of corporate data Share data across functional boundaries Single data and common technology architecture 	<ul style="list-style-type: none"> Orange HRM Oracle/PeopleSoft Lawson HRM SAP

6. Describe how the developments in HRIS have led to HRM becoming a strategic business partner

- The use of information technology in HR planning and delivery has increased, and as a result, the way the people in the organisation look at the nature and role of HR itself has changed.
- HR data and reports become available on employees' desktops, and managers interact less with the HR department.
- HR departments allocate resources to more complex, strategic and transformational activities. These changes have redefined and transformed the role of HRM to complex value added, strategic initiatives and interventions.
- HR professionals will need to learn new skills and rethink the way the HR department is organized and delivers its service. With improved job skills of HR professionals, technology will be seen as an HR partner in progress.
- While having an advanced, full-fledged system will not automatically make HR a strategic business partner, the system acts as a building block and an effective aid in the process.
- How does this position help the HR function become a strategic partner of the organization? The quality of personnel is the key to success, meaning the company can achieve its strategic goals by the support of human capital. Proper management of human capital is the core factor for a company to reach its strategic goals. Thus, HRIS, whose primary objective is to maximize the value of an organization's human capital, can serve as a significant strategic partner of the organization.
- In addition, according to the duties and responsibilities of the HRIS administrator, since the HRIS administrator serves as a key systems liaison with other departments such as payroll, the HRIS administrator can also help other departments and build an integrated relationship between HR and other departments.
- That relationship can provide a very insightful view for the HR department and help the company to make and implement its strategic goals by providing some useful information about employees.
- From the position description, identify the traditional, transactional, and transformational HR activities that this position is involved with.

System development life cycle (SDLC)

Planning → Analysis → Design → Implementation → Maintenance

- ✓ System development process starts when the organisation considers computerising their HR functions.
- ✓ Important to document these phase for evaluation and maintenance of system.
- ✓ Evaluation is critical and the system should be improved as needed.
- ✓ Quality of the evaluation depends on the documentation of entire process and influence the successful implementation of the system.

7. Define Six Sigma, the balanced scorecard, the contingency perspective and the fit model of HRM

Six sigma: Structural approach for improving HR processes in business through a step by step model DMAIC that stand for Define, measure, analyse, improve and control.

Balance scorecard: Measuring strategic organisational performance that gives managers a change to look at their company from perspective of stakeholders, including external customers, employees and shareholders

Contingency perspective: HR strategies are dependent on business strategies (cost reduction, quality improvement and innovation and business settings (manufacturing services, services, public sector, and for non profit as well as firm size

8. Describe the differences between e-HRM and HRIS (5)

+ e-HRM

- ✓ reflects a philosophy for the delivery of HR
- ✓ it uses information technology, particularly the Web, as the central component of delivering efficient and effective HR services
- ✓ Organisations embracing an e-HRM approach don't simply utilize technology in the support of human resources but instead see technology as enabling the HR function to be done differently by modifying "information flows, social interaction patterns, and communication processes"
- ✓ e-HRM tends to be more focused on how HR functionality is delivered (e.g., e-recruitment and e-training

+ HRIS

- ✓ an HRIS comprises the technology and processes underlying this new way of conducting human resource management.
- ✓ HRIS can include technologies such as databases, small functional systems focused on a single HR application (e.g., performance management), or a large-scale, integrated enterprise resource planning (ERP) architecture and Web-based applications. In today's environment, it can even be devices such as smartphones and social networking tools that enable employees to access HR data remotely or to connect with others in the organization
- ✓ an HRIS is more focused on the systems and technology underlying the design and acquisition of systems supporting the move to e-HRM

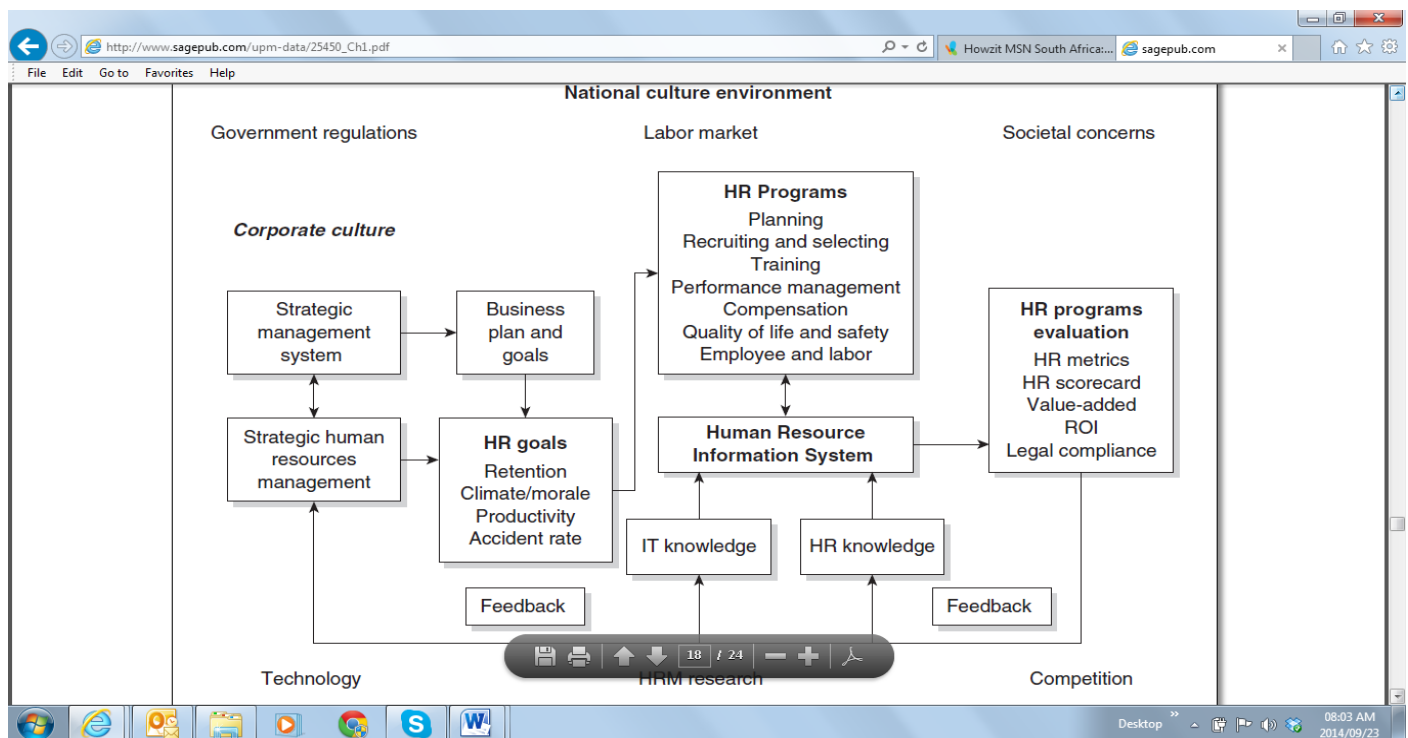
1.6 Difference e-HRM & HRIS



E-HRM - electronic Human Resource Management	HRIS - Human Resource Information System
<ul style="list-style-type: none"> • Reflects the way in which HR is delivered 	<ul style="list-style-type: none"> • HRIS reflects the computerised system used
<ul style="list-style-type: none"> • More focussed on how HR functionality is delivered, for example, e-Recruitment and e-Training (e-Learning) 	<ul style="list-style-type: none"> • HRIS is more focussed on the systems and technology underlying the design & acquisition of systems supporting the move to e-HRM
<ul style="list-style-type: none"> • Organisations that apply e-HRM use technology as a tool to enable the HR function to function effectively and more efficiently 	
<ul style="list-style-type: none"> • Reflects a philosophy for delivering HR • It uses information technology, particularly the web as a central component of delivering effective and efficient HR Services 	<ul style="list-style-type: none"> • Comprises of technology and processes underlying the e-HRM way of conducting Human Resource Management
<ul style="list-style-type: none"> • Technology becomes the nerve center for disseminating , connecting and conducting human resources • Organisations embracing the e-HRM approach do not simply utilise technology in support of human resources but see technology as enabling the HR function to be done differently by modifying information flows, social interaction patterns and communication processes 	<ul style="list-style-type: none"> • Includes technology such as databases, small functional systems focussed on a single HR application, for example, performance management or a large scale integrated Enterprise Resource Planning (ERP) architecture and web based applications • It can even be devices such as smart phones and social networking tools that enables organisation employees to access HR data remotely or to connect with others in the organisation

9. Identify how HRM and HRIS fit into a comprehensive model of organisational functioning

Model of organisational functioning provides an overview of an HRIS embedded within an organisational and global business environment, with specific emphasis on its relationship to HR management and the strategic planning of an organisation.



10. Factors influencing the ability to harness the potential of HRIS

6 factors influencing the ability of firms to harness the potential of HRIS :

- ✚ The size of the organisation – large firms generally reaping great benefits
- ✚ Amount of top management support and commitment
- ✚ The availability of resources (time, money and personnel)
- ✚ The HR philosophy of the company as well as its vision, organisation culture, structure and systems
- ✚ Managerial competence in cross functional decision making, employee involvement and coaching
- ✚ The ability and motivation of employees adopting to change such as increased automation across and between functions

11. Advantages of HRIS

HRIS gives firms several advantages :

- ✚ It provides a **comprehensive information picture** as single, integrated database that enables organisations to provide structural connectivity across units and activities to increase the speed of information transactions.
- ✚ **Increasing competitiveness** by improving HR operations and management processes
- ✚ **Collecting appropriate data and converting** them to information and knowledge for improved timelines and quality of decision making
- ✚ **Producing** greater number and variety of accurate and real time related reports
- ✚ **Streaming and enhancing** the efficiency and effectiveness of HR administration functions
- ✚ **Shifting the focus** of HR from the processing of transactions to strategic HRM
- ✚ **Reengineering** HR processes and functions
- ✚ **Improving** employee satisfaction by delivering HR services more quickly and accurately

Study Unit 2

Database Concepts and Applications in HRIS

1. Differentiate between the terms data, information and knowledge

<i>Concept</i>	<i>Themes</i>
Data	Facts of transactions, values of qualitative or quantitative variables, facts and statistics together that occur on a daily basis.
Information	Interpreted data, facts provided or learnt about something or someone.
Knowledge	Information that has been given meaning, how, facts, information, and skills acquired through experience or education.
Database	A collection of data stored on a computer that are systematically arranged for easy access, retrieval and manipulation of the information. A set of organised data.
Database management systems	Software that handles the storage, retrieval, and updating of data in a computer system, set of software applications combined with a database containing information. A set of software applications combined with a database.

2. Identify problems with early database structures and discuss how these were overcome

Early:

- The data-processing system performed record keeping functions -> mimicked paper filing system -> to process transactions: payroll records and payroll checks. Goal was not on data sharing among business applications and users.

Shortcomings:

- Data redundancy, poor data control, inadequate data manipulation capabilities and excessive programming effort. And do not provide data easily or quickly, cannot share data.

3. Explain what a relational database is

- + In a traditional file-based system each file contains all the relevant information, e.g. date of birth, marital status, qualifications. If any of this information changes, each file must be updated with the new status.
- + This means that many errors may be made. A relational database developed from the idea that data should only be stored in one place or "field" in a collection of tables and the same information should not be stored in any other place. This is called a relational database.
- + Data is thus easily shared, unlike in a file-based system. With a relational database the data, e.g. marital status, date of birth, qualifications, is only carried in one field in a table.
- + All the programmes/modules, i.e. pay, HR, training, etc. "look" in that specific field if they need this data.

4. Discuss the three types of data sharing and why these are important

+ Functions:

- ✓ access to own data and other function's data as well
- ✓ increased feasibility and popularity of integrated business applications.
- ✓ These integrated applications used In large organisations are referred to as ERP
- ✓ Common business functions – general ledger, accounts payable, inventory control

+ Levels:

- ✓ The different objectives of = different types of software systems
- ✓ operational employees (day to day) = transaction processing systems
- ✓ managers (summary data) = management reporting systems
- ✓ executives (strategies and trends) = decision support systems

+ Locations:

- ✓ global/across physical locations/borders.
- ✓ 2 issues = time and date + tiers/where to store

5. define the term “query” and discuss three types of enquiries

- ✓ the question you ask about the data stored in a database.
- ✓ A structured way of posing your question to the DBMS, in a language the DBMS understands
- ✓ Do not store data -> only report on (stored) data in the table.
- ✓ Kinds/types of queries: select, action and cross-tab

6. identify the key fields in an HR database

Field = attributes are stored as columns in the tables

- ❖ Employee ID First Name
- ❖ Address Job title
- ❖ City Salary
- ❖ Gender Bonuses
- ❖ Birth date Status
- ❖ Contact numbers Department
- ❖ Education Hire Date
- ❖ Performance rating

7. Discuss how business intelligence software can support HR decision-making

+ Data integration: Data warehouses, business intelligence and data mining

+ An organisation’s ability to generate meaningful information to make good decisions is only as good as its underlying database.

+ **Metrics** are measures of organisational performance derived from organisational data.

+ If HR is to function as a true strategic business partner, certain methodology and metrics have to be used to monitor HRM data and thus improve organisational efficiency and effectiveness.

+ In the organisation’s **data warehouse**. A data warehouse is a special type of database that is optimised for reporting and analysing. It contains the raw data for the management decision support system.

+ **Example:** *A data warehouse is very much like a central filing system. It is a central data repository that is made by combining data from one or more different sources. These warehouses store both current and historical data. They use the data to create trending reports for senior management, such as quarterly and annual comparisons. If storage space is limited, only some specific fields can be stored for future reference, e.g. names of all previous employees.*

+ **Business intelligence (BI)** is a broad term for business applications and technologies used to create data warehouses. They are also for analysing and providing access to this specialised data to help users make better decisions.

+ **Example:** *Almost all commercial DBMSs have a BI capability. These are often provided as specific reports that prepare information and trends for recurring decision-making support. DBMSs also have a report writer which collates specific information for decision support in specific circumstances, e.g. who attended specific training courses in the last five years.*

+ **Data mining** is a concept that refers to statistical analysis of large data sets to identify recurring relationships.

+ **Example:** *Through data mining you can establish in which area or suburb most of the employees working in your company live. You can then use this to form lift clubs to and from the Gautrain stations, for example, if a large number of the employees use the Gautrain every day to commute to work. This is a combination of the previous two concepts.*

Study Unit 3

Systems considerations in the design of an HRIS

1. Describe the different types of customers/users and their different needs using the HRIS

Employees:

✓ Managers

- Describe: Managers/director/vice president/CEO
- Needs: to have real-time access to accurate data 4 making decisions about employees

✓ Analysts / Power users

Use HRIS to evaluate potential decision choices and opportunities and most demanding users of the HRIS

- Describe: or power users. Most demanding user. To acquire as much relevant data as possible, examine it and provide alternatives to assist decision making by managers. They access more areas than any other user.
- Needs: Use HRIS to evaluate potential decision choices and opportunities

✓ Technicians

- Role of technician HRIS experts are twofold
- Describe: straddle the boundary of two functions. To ensure that appropriate HR staff has all the access, info and tools needed to do their jobs. Understand what is needed from HR standpoint, and then translating into tech language.
- Needs: Responsible for providing a usable up to date system for each user

✓ Clerical

- Big part of day interacting with HRIS. Must understand process to enter info into it and generate reports on the system.

✓ Organisational / employees

- All other employees who interact with HRIS, through self-service.
- Not involved in HRM and do not make decision related to HR
- Needs: to obtain personal information and manage it on the system

Non-employees:

✓ Job seekers / potential employees

- Have little or no info about HRIS
- Needs: log in via Web to search and apply for jobs

✓ Sourcing partner Organisations / Suppliers and partners

- Require certain info to complete their tasks for example recruiting agencies
- Needs: Organisations that interface with the HR functions for a variety of purposes. Need updated data like job descriptions, skills and competencies that an successful candidate should have

2. Discuss the differences between the five general hardware architectures

✚ **Single tier computing system:** all process was done in mainframe and not at the workstations.

✚ **The HRIS dinosaur**

✚ **Client-Server architecture (two-tier):** HRIS software are developed powered by PC's. Hr application software are separate from database technology.

✚ **Three-tier architecture:** Used in database management systems (DBMS) server and application server.

✚ **N-Tier architecture** with enterprise resource planning

✚ **Cloud Computing** = PC, laptop, phones (mobile, smart and land line), keyboards and mouse. (and printers?) (with types of internet services as software")

3. Discuss the main concepts of hardware and database security

In an electronic and technology driven environment, security is a major concern.

IN HRIS it relates to protecting the hardware, software and also the data that is available in HRIS.

Data should be protected from unauthorised use, access and modification. As well as controlled the information available and to whom.

POPI act for the protection of personal information signed on 26 November 2013 by president with one year grace period to comply.

What is identity theft and how can HR prevent it.
Companies should have policies and procedures in place.
Security challenges:

1. Sensitive information and loss of data: Salary information and loss of personal details like id numbers
2. Unauthorised updates: update information like salary amounts
3. Unauthorised sharing of data: share sensitive information with others
4. Sharing data with external organisations like suppliers and service providers

For "hardware" no info?

"Database security" = TB: 70 (security challenges)

4. Discuss best of breed HRIS acquisition

- difficult to find 1 HRIS that meet all the needs -> have to combine products from various suppliers or vendors.
- DEF:** an architecture that combines products from multiple vendors.
- Thus: synergy of different elements of software applications into an HRIS.
- Aim of solution is whatever is implemented should provide the best solution that will meet the specific needs of that particular organisation.
- 3 conditions: Main aspects that are important**
 - o **Should be a need for specialised solution or system** -> Optical character recognition (OCR) Organisations may choose a specific vendor because of critical operational requirements while HR has another one in mind with a HRIS solution that suits the HR requirements better in the organisation.
 - o **Universally agreed-on set of guidelines** -> syntactical level (exchange and use of data among the various systems that the files can be shared or transmitted between software applications. "alphabet" used.
 - o **Need to speak the same language** -> semantic level. The various applications/ solution or system should be able to communicate with one another, using same computer language
- If these 3 aspects are addressed, the HRIS application from various solutions and vendors should be able to speak to one another; the data should be interchangeable between various systems or solutions.
Organisations won't be able to use BOB if there is no compatibility.
- Organisations can use different BOB solutions that can be sourced from various vendors or suppliers.
 - Like recruitment
 - collection of time information for timesheet purposes
 - Payroll
 - benefits.

5. Explain the general steps that affect HRIS implementation

First key step is planning – plan will give guidance from where you are to where you want to be.

To implement a system, one need an accurate assessment of where the organisation are currently.

- Are the people ready for implementation (are they computer literate?)
- Can the current hardware and storage capacity meet the infrastructure requirements
- Is the CEO ready to divert or allocate funds to cover implementation as well as the running cost.
- Are the current systems compatible with the additional expansion
- Do you have the competencies to implement and maintain the new system?

Planning for system implementation one must remember the following 3 things:

1. Process with take a team of people a number of weeks to complete (6 weeks to 3 years)
2. Process can be managed in different ways – all key issues must be examined and the organisational goals for the implementation of the system achieved.
3. Same approach cannot be used in all situations and for all organisations

Recruitment, time collection, payroll, benefits? TB: 72-74??

OR

TB: 74-75: Planning for System Implementation?

6. Identify the advantages and disadvantages of changing over from one system to another

the systems being = those tier things??? Or what??

Study Unit 4

The systems development life cycle and HRIS needs analysis

1. Discuss the systems development life cycle (SDLC)

SDLC refers to systems development life cycle. Refer to figure 4.1 in your prescribed book for a diagram of the SDLC. You can also find alternative representations in the link we mentioned previously, “[systems development life cycle \(SDLC\)](#)”..

- + **Planning** – includes long- and short-range planning
- + **Analysis** – current capabilities are documented, new needs are identified and the scope of the HRIS is determined
- + **Design** – the “blueprint” for the HRIS is developed (i.e. either to **create** a new system or **alter** a current system)
- + **Implementation** – the HRIS is built, tested and made ready for “roll-out”
- + **Maintenance** – the aim is to ensure that the system can be used in the long run and it includes evaluation of the system. Maintenance serves four purposes
 - **Corrective**
 - **Adaptive**
 - **Perfective**
 - **Preventative**

2. Explain how the analysis phase of an SDLC informs the needs analysis process

Organisation’s current capabilities are documents, new needs are identified, and the scope of an HRIS is determined. Encompasses reviewing the current system processes, looking for opportunities for improvement, exploring and justifying change, developing requirements for the new system (needs analysis)

If an organisation conducts a proper needs analysis, it can use this information to finds the correct solution to meet their needs.

3. Discuss needs analysis and its importance

Purposes of Needs analysis :

Essentially the purpose of the needs analysis is to collect and document information related to ,making changes connected to :

- ✓ Current system performance issues
- ✓ The introduction of new system, application, task, or technology
- ✓ Any opportunities perceived to benefit the organisation

4. Discuss the main stages of needs analysis

1. Needs analysis

- + Organise the needs analysis team
- + Determine management role
- + Define the goals
- + Determine he tools and techniques to be used

2. Observation

Here six things are important. During the observation stage the organisation considers the current systems and procedures and uses this information for making decisions later in the process.

- + Analyse the current situation
- + Define the needs
- + Identify the performance gaps
- + Classify the data
- + Determine the priorities

3. Exploration

This is the third stage. Here the organisation needs to collect data. This can be done using a variety of techniques.

Compare and contrast the different methods of data collection, explaining the conditions under which each is most effective.

Interviews	Questionnaires	Observation	Focus Groups
<ul style="list-style-type: none"> • Although interviews are time and labour intensive, when conducted well, they can contain the required data as well as bring rich source of opinions, ideas and suggestions. • They can be completely unstructured or thoroughly structured 	<ul style="list-style-type: none"> • They can be distributed to large groups quickly and easily. • Much less time consuming than observing or interviewing. • Easier analysis and convenient for employees. • May obtain more accurate and honest responses. • Much lower response rate compared to interviews. • Unlike interview, they contain less rich data. • They can be used to less effectively to increase employee or management buy-in. • Structured 	<ul style="list-style-type: none"> • Take place in the actual work environment. • Most useful when trying to determine what employees do and in what order. • Minimises interruption of routine functions. • The presence of the observer may subtly affect how the employees go about their work. • Not effective for high level jobs 	<ul style="list-style-type: none"> • Can provide as deep info as interviews and they bring people together which leads to great and more effective info sharing than interviews.

4. Evaluation

This is the fourth stage. Here the organisation needs to evaluate

- ✚ Review data and assess to create a clear picture
- ✚ Arrange data in useful format
- ✚ Project team review data to gain perspective and encourage suggestion (look for duplications)

5. Reporting

This is the final stage. Here the organisation needs to report on the findings and this is used during the design phase of the SDLC. What is important here is that it must report on the current systems and processes and discuss how the new system can help resolve the problems.

5. Explain an HRIS needs analysis and its activities

Needs Analysis refers to the process of thoroughly gathering, prioritizing, and documenting an organisation’s HR info requirements, and it serves as a necessary input for the subsequent design and implantation of an HRIS. An HRIS needs analysis usually takes on a particularly prominent role in the analysis phase of an HRIS development project, prior to significant design and implementation activities. It is important to note that the needs analysis for HRIS continues through the entire systems development process because each stage in the process could lead to the identification of new needs for the HRIS.

Activities = gathering, prioritizing and documenting HR info requirements? **OR** Activities = Needs analysis planning – observation – exploration – evaluation – reporting

When you look at chapter 4 and learning unit 4 you will see that needs analysis is one phase of the SDLC. When looking at the outcomes indicated above you need to ensure that you can firstly discuss needs analysis and why it is important (do this perhaps within the SDLC framework) the other learning outcome is a separate one where you need to discuss the stages in needs analysis, namely needs analysis planning, observation, exploration, evaluation and reporting. An example of such a question could be for learning outcome 3: Briefly discuss HRIS needs analysis and its activities, you would then contextualise this and indicate that needs analysis forms part of the SDLC and also indicate why it is important to do a needs analysis. For outcome 5 a typical question could be Explain HRIS needs analysis and the activities involved. Here you should include again where it fits into the SDLC and specifically in the HRIS context and then indicate that an effective needs analysis consist of the five stage that I highlighted above.

6. Discuss the parties involved in an HRIS needs analysis

Needs analysis team –

HR analysts and involving HR and IT staff

- Current system users and associated constituencies and stakeholders
- Other key personnel = senior-level manager with HRIS experience
- IT professional
- External consultants
- Task force of constituencies from the functional areas, representative from HR payroll and any other areas that may use HRIS directly
- Upper management

7. Discuss the key deliverables of an HRIS needs analysis

Overview of current systems and processes

Description of how a new system could address the issues and weaknesses

Formalised requirement definition – the prioritised requirements of the new system

Specifications geared towards solving problems identified in the analysis as well as any that focus on new functionality that HR requires

8. What are some of the critical success factors for effectively conducting an analysis of HRIS needs?

1. the HRIS should provide functionality for users need
2. vendor software packages should be selected based on complete, accurate or relevant criteria
3. custom additions to the HRIS should fill needs after implementation
4. ensure that scope creep does not occur

- ✓ Top management support
- ✓ Provision of adequate resources and appropriate
- ✓ Ongoing communication
- ✓ Conductive
- ✓ Organizational culture
- ✓ User participation
- ✓ Champions Project
- ✓ Organizational structure
- ✓ Methodology Change Management
- ✓ Control and monitoring of projects
- ✓ Crusade integration between business systems

8. Explain how planning and analysis integrate and inform further steps in the systems development lifecycle (SDLC)

- ✚ *Planning Phase* : includes both long range or strategic planning and short-range operational planning. During the planning phase, HR will determine the existing technological and systems capabilities and develop a general plan for adapting , upgrading, or changing these plans. In a sense, HR is conducting an analysis of their future human capital strategies and assessing what may need to be done technologically to ensure that these strategies may occur. As this phase is at a strategic level, the planning is very high level and not as detailed. At the end of this phase an organisation should have a general idea of the issues they need to address and may have developed a plan to move forward.
- ✚ *Analysis Phase* : At the end of this phase a more detailed plan definition should be completed for further steps such as designing or vendor evaluation.

Study Unit 5

System design and acquisition

1. Discuss the difference between the data and process views of a system

The **data perspective** focuses on an analysis of what **data the organisation captures and uses and on the definitions and relationships of data**. It ignores how and where the data will be used by the organisation. It also focuses on the most efficient and effective way of capturing the data to ensure accuracy. **The process perspective** focuses on the **business processes and activities** in which the organisation engages and how data flows through the HRIS.

Why do you need to know about these perspectives and to distinguish between them?

Each perspective represents a portion of the total HRIS, but neither one of them provides the complete picture. In general, the processes might change in future, but the data will probably remain the same. So we need to deal with these aspects separately.

2. Describe the purpose and components of a DFD

What is logical process modelling with data flow diagrams (DFDs)?

A process model describes and represents the key business processes or activities conducted by the organisation. The specific type of process model used by organisations is a **data flow diagram (DFD)**. A DFD is a graphical representation of the key business activities and processes in the HR system, the boundaries of the system, the data that flows through the system and external individuals or departments that interact with the system. The focus of a DFD is the movement of data between external entities and processes and between processes and data stores. A DFD consists of four symbols:



This **square** symbol represents an **entity**. This is a noun and the start of the DFD. It can represent an employee/manager or an external agent. The entity inputs data to the HR system. An example in HR is performance appraisal where the manager provides inputs such as an evaluation score and the employee provides a self-evaluation report and score.



This **rounded square** symbol represents a **process** and will be labelled by an action verb. It refers to a business activity where inputted data is transformed into a useful output. In other words, it can represent a process such as printing an employee's payslip. In the example we gave for entity, the first process at HR will be collating the performance appraisals prior to management approval.



This **rectangle** represents a **data store**, in other words the data at rest in the system or a repository of data. This could be a filing cabinet, a computer file, employee records or even a data warehouse.



This **arrow** indicates **data flow**, in other words from where to where the data flows. This shows the movement of data from process to process (or initially from the entity to the first process). In this example the inputs provided by the supervisor/manager go into the system (with data flowing from process to process) until a letter is eventually generated back to the employee (an entity).

3. Explain the hierarchy of DFDs and the concept of DFD balancing

How do you create and use the DFD?

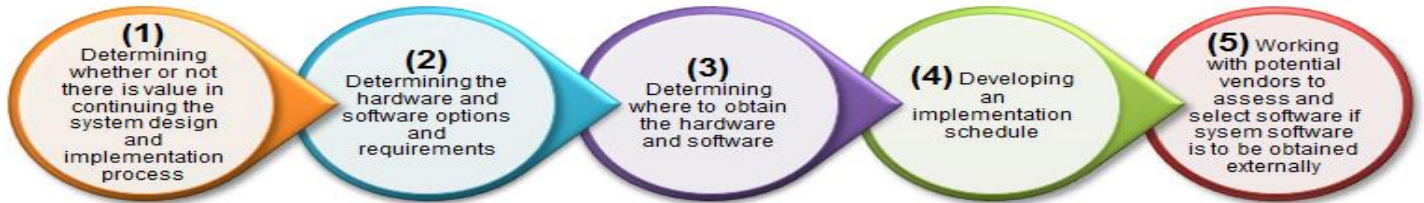
Models can be very complex and it is advisable to organise DFDs by modelling the individual processes and components of an information system. We rather use a series of DFDs than one complex one. This approach begins with the highest level process (or context-level diagram). Lower level DFDs are created to visually depict increasingly detailed views. By doing this each person involved in the logical design of the system can view the model at their own level of understanding and complexity.

The highest level DFD developed is called the **context-level diagram**. It describes the full system, its boundaries, the external entities that interact with the system, and the primary data flow between the entities outside the system and the system itself. The single HR process in the context level diagram is them

broken into greater detail on the **level 0 diagram** to provide a clearer picture of the HR business process. The level 0 diagram contains the major system processes and data that flow between them. Each process should be labelled with a verb that reflects the action that the process conducts. It is important to note that the context level diagram and the level 0 diagrams should reflect and communicate the same info. This is called **balancing** of DFDs. It should contain the same inflows and outflows from management, applicants and HR. Balancing DFDs is important because we want to ensure that all individuals are viewing and using the same model of the system. Otherwise there is a risk that the system will not be designed appropriately.

4. Discuss the three choices or options that organisations have when moving into physical design

A new system has been designed and logical models have been tested against the organisation's requirements. Now we can proceed with the physical design by translating the logical model and requirements into a physical system, including all hardware, software and networking. Here the following are important:



What are the three choices in physical design?

1. Do nothing, meaning you do not proceed
2. Make changes to only the HR business processes without implementing new OR upgraded technology
3. Implement the business process changes along with new or upgrades technology

5. Discuss the purpose of a request for a proposal (RFP) and the information to be included in it

Some organisations might have the resources to design and build their own software. However, most organisations work with software vendors to develop or acquire a suitable system for them. What is the role of HR in this process? Firstly, they need to work with internal IT staff and software vendors to ensure that all the correct requirements of the organisation, as identified in the needs analysis, are communicated to the vendor. The selection process starts with developing a **request for proposal (RFP)**. A document that solicits proposals and bids for proposed work from potential consultants or vendors.

So what does an RFP include?

In the HRIS environment the RFP is a document that contains the organisation's goals and the requirements for the HRIS and requests proposals for a solution from possible software vendors. Other information included is the hardware, software and service requirements. Once the vendors have completed and submitted an RFP, it will be easier for the organisation to compare the different vendors with one another. In the RFP vendors should be instructed to provide the required information in a specific format and with particular details. This makes it easier to compare vendors with one another as the information provided is consistent.

6. Describe the criteria used to evaluate vendor proposals

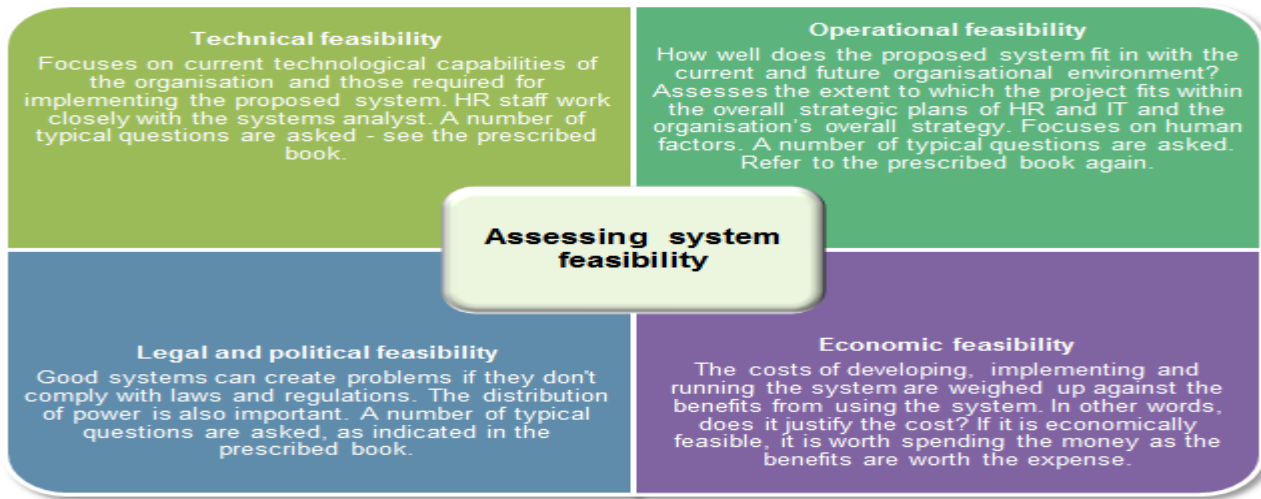
Once you have received the RFP document back from the vendors, you need to evaluate each one's strengths and weaknesses. Selecting a Vendor :

- ✚ **Functionality** – to what extent do the HRIS meet the HR needs of the organisation
- ✚ **IT architecture and IT integration** – will the HRIS be a standalone system or networked system or a web based system
- ✚ **Price** – price is very important but it should be secondary to the goal of finding a system that meets the needs
- ✚ **Vendor longevity and viability** – evaluate the quality of the vendor

7. Explain the various types of feasibility and their purpose in evaluating potential solution.

How do you assess the feasibility of a system?

You need to consider whether or not the system will work for your organisation. There might be several reasons why it may not be feasible for you to implement the particular system. To make this decision, you need to look at four types of feasibility



8. Explain how to reply to an RFP document (Remember that you need to know this for the examination)

How to reply to an RFP document

The goal of a request for proposal (RFP) is for companies to solicit proposals from vendors to provide goods and services that address specific business problems. It usually represents the first stage of the procurement process. After receiving an RFP, you bid for the business opportunity by writing a proposal that details the terms of the project. According to "Business Driven Information Technology": "RFPs can be one page statements of the business problem or can expand into 40 pages or more of detailed functional and technical questions." Nevertheless, RFP templates typically contain basic sections that you should become familiar with.

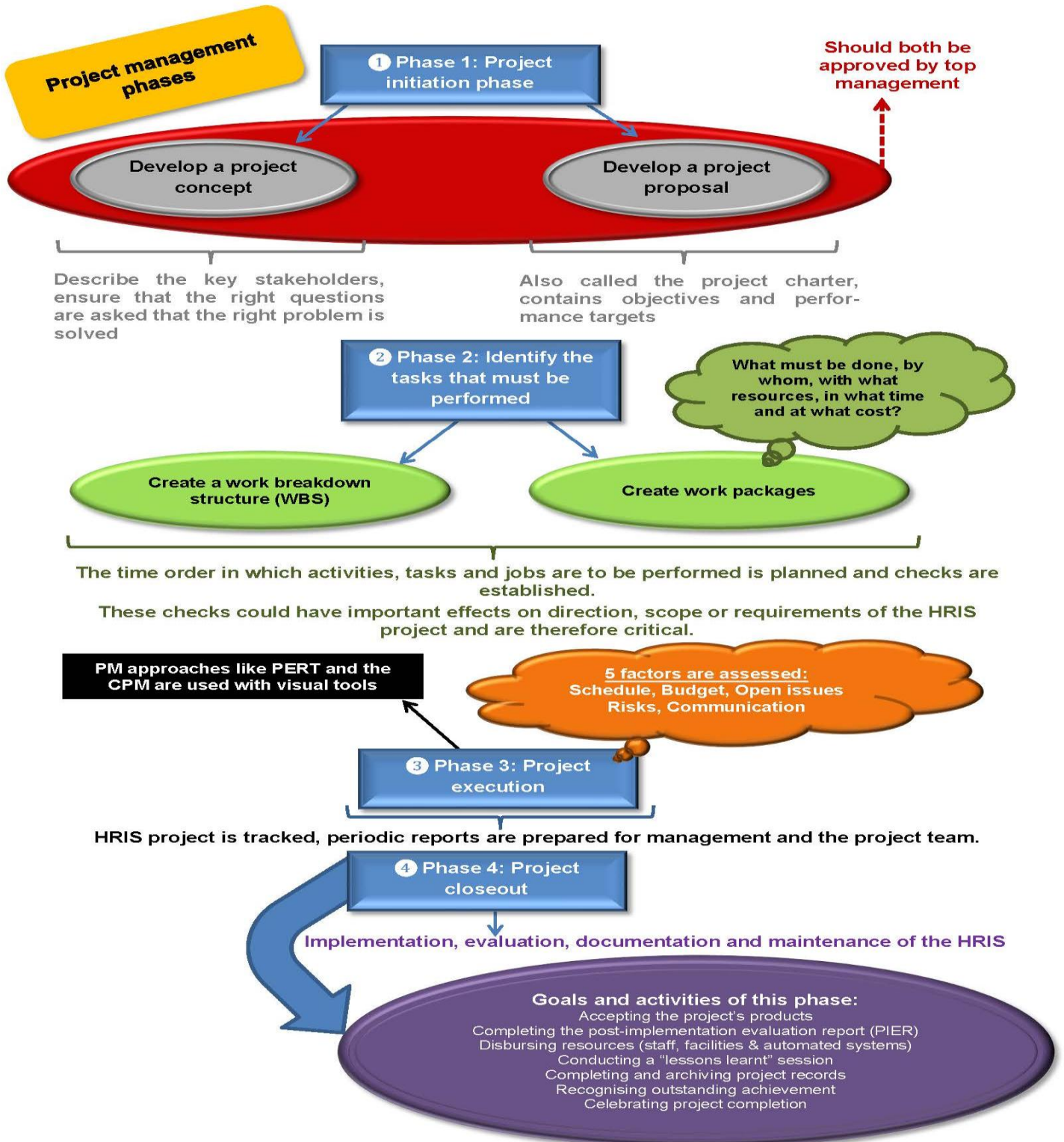
Instructions

1. **Introduce your company and its mission.** Describe the scope of your company's products or services as well as its track record. Highlight any special recognitions, technical capabilities and qualifications that may differentiate your company from competitors and make your company an ideal fit.
2. **Describe your proposed terms and timeline in detail.** Specify how you plan to satisfy the requirements and objectives outlined in the RFP.
3. **Include pricing information.** Pricing is usually determined by your cost plus how much profit margin you expect to earn. Before you set your price, it pays to research how similar products or services in your industry are priced so that you can be competitive.
4. **Summarize the benefits of partnering with you from the customer's perspective.** Market your strengths and state why you are a good match for your customer's needs. For example, perhaps your firm has outstanding customer service or problem escalation practices.
5. **Include your authorized signature and contact information.** Make it easy for your prospective customer to proceed with accepting your business proposal and returning the document to you.

Study Unit 6

Project Management and Human Resource Management advice for Human Resource Information System Implementation

PM is critical to ensure the systematic and structured achievement of specific objectives. Tight project control is the only way to achieve these objectives.



1. Describe how the use of project management approaches, techniques and tools help in the SDLC process

The use of PM tools and processes will ensure that the implantation of the HRIS will be more orderly and completed on time. PM involves a planned set of procedures to accomplish a specific, and usually one time effort, for example, changing a maternity leave policy or implementing a new HRIS. PM includes the following components:

1. **Develop a project plan.**
2. **Determine the project goals and objectives.**
3. **Define tasks to achieve the goals.**
4. **Identify the resources (people and money) needed.**
5. **Estimate a budget and timeline for completion.**

PM brings a critical capability to the HRIS project, namely, evaluation of the project's performance by monitoring progress against the planned timetable. This monitoring allows for periodic adjustment as well as ensuring that project creep is not occurring.

2. Describe the factors that are used to develop PERT

Performance evaluation and review technique (PERT) is a method for analyzing the tasks involved in completing a given project, the time needed to complete each task, the minimum time needed to complete the total project. It was invented for complex, one-of-a-kind projects.

3. Describe how the Gantt chart will ensure project completion on time

A Gantt chart is a graphical representation of the duration of tasks against the progression of time in a project. "A Gantt chart is a type of bar chart that illustrates a project schedule. It illustrates the start and finish dates of the terminal elements and summary elements of a project. Terminal elements and summary elements comprise the work breakdown structure of the project.

4. Discuss how Six Sigma can be used in HR and project management

- ✚ Six Sigma is a data-driven philosophy and methodology initially developed as a means for eliminating manufacturing defeats by driving towards six standard deviations between the mean and the nearest specification limit in any process. The statistical representation of Six Sigma describes quantitatively how a process is performing.
- ✚ Six Sigma thus focuses on business process reengineering with the goal of improving the quality of process outputs, e.g, the annual turnover rate of employees, by indentifying and removing the causes of defect and minimising variability in business processes.
- ✚ Six Sigma is a structured approach for improving business (HR) processes through a step by step method labelled DMAIC, which stands for define, measure, analyse, improve and control.
- ✚ The DMAIC approach uses an assortment of statistical tools to reengineer business processes and HRM processes such as training, recruiting and compensating employees.

DMAIC phases :

1. **Define the problem**, the voice of the customer and the project goals, specifically
2. **Measure** key aspects of the current process and collect relevant data
3. **Analyse** the data to investigate and verify cause-effect relationships. Determine what the relationships are and attempt to ensure that all factors have been considered. Seek out the root cause of the defect under investigation
4. **Improve** or optimise the current process based upon data analysis using techniques such as design of experiments....or misstate proofing and standardise work to create a new future state process. Set up pilot runs to establish process capability
5. **Control** the future state process to ensure that any deviations from the target are corrected before they result in defects. Implement control systems...and continuously monitor process

5. Explain why knowledge of IT and HR is important in the development of an HRIS

The use of PM in the development of an HRIS project involves combining knowledge from both HRM and IT to ensure successful implantation.

An HRIS demands a huge investment of time and resources (especially money). By ensuring that the two main role players in this effort, i.e. HRM and IT, work together, it will be so much easier to ensure a combined and controlled successful project. For this to be achieved, a positive relationship between IT and HR is very important when implementing the HRIS. If there is no proper cooperation and relationship, the project and implementation will fail. HRISs are expensive and time-consuming, and failure of the project should thus be avoided at all costs.

6. Discuss how IT factors can affect HRIS project success

The general factors that affect successful PM are **cost, time and scope**.

Cost depends on a number of variables, including labour rates, material, plant resources, equipment and profit.

In addition to fixed and variable costs are contingency costs and **time to completion**, which can be broken down into units of time required to complete each task.

Scope refers to what the project is supposed to accomplish and what the end result should be.

Time and cost are process measures of performance and therefore measure of efficiency. **Scope** is about effectiveness and is measured by whether the right questions have been asked and whether the right problem is being addressed.

Critical success factors for IT	Remarks
The project must provide a solution to the right problem	HR end-users must help define the needs analysis correctly
The project must be guided by people with the right knowledge to solve the right problem	Knowledgeable IT and HR specialists on the project team
Project managers must understand the dynamic nature of any HRIS project	Ensure inter-relationships are conducive to a team approach to achieving the right solution

The project management team must therefore consist of knowledgeable professionals. It must monitor and manage the **time** (completion time), **cost** (wage rates, material, plant resources, equipment and profit) and **scope** (what the project is supposed to accomplish and what the end result should be) of the project and make adjustments to the plan necessary to ensure successful completion.

7. Discuss the different roles of the stakeholders in the implementation of an HRIS

Various people play different roles and have different responsibilities and they should be selected carefully, but ultimately the team should be led by a senior employee.

- ✚ **Steering Committee and Project Charter -**
- ✚ **Configuring PM Team -**
- ✚ **Implementation Team –**
- ✚

8. Discuss the importance of training and development during HRIS development and implementation

- ✚ Without training, the system will fail either during development or implementation
- ✚ The external vendor normally provides the training
- ✚ Accurate, complete and up-to-date documentation of the system is critical for successful HRIS implementation
- ✚ Notes, diaries, memorandums and reports are invaluable when updating the system in future
- ✚ Various training programmes are needed (consider using CPM, PERT or Gantt charts to develop the project plan, preferably use an employee who is certified in PM or use a certified outsider to draft the project plan.
- ✚ Training the PM team in decision making and communication skills, planned change management methods and training on new system
- ✚ Change management phases

9. Explain how critical success factors affect the success or failure of an HRIS project

The system cannot be implemented without training. This includes training of the project team members and then also training on the actual system once it has been implemented.

- ✚ **Support of top Management:** Top management must buy in and support the project from the beginning and throughout the implementation and evaluation. Top management must be willing to provide necessary resource and authority for the success of the project.

Corporate governance buy-in , CEO, department or unit heads, Suitable senior members on steering committee, Project charter

✚ **Provision of adequate and timely resources**

Resources like time, money, technology and personnel. There must be a carefully PM plan that identify the adequate resources needed and include a cost benefit analysis. PM plan (needs analysis, scope, PERT, Gantt, CPA)
personnel, time, technology and money)

Business plan for the HRIS including a CBA

JAD sessions

Training for future maintainers of the system

✚ **Ongoing communication**

Regular communication are important between everybody involved to be informed about goals, progress, issues and challenges throughout the project. Result will be that there are less room for organisational politics, rumour and misrepresentations

Starts with needs analysis

Constant monitoring and feedback

Reports to all involved or affected by HRIS

✚ **Conducive organisational culture:**

Supportive organisational culture for learning. Participative culture accepts change more readily.

Participative culture for change and learning

Previous history of effective changes being implemented

✚ **User involvement:**

Critical for the effective development and implementation of the HRIS. Ensure that project is designed and implemented in accordance with the requirements of the users and will a better chance of being accepted.

User involvement for needs analysis

✚ **Project champions:**

Best will be to have two project champions for HRIS project.

The steering committee chair and the project team Manager. The persons selected should enjoy a good reputation and status in the organisation.

✚ **Organisational structure**

Implementation of new HRIS will require changes in reporting lines of authority as well as changing responsibilities for HR and IT. If the department not use to cooperate and collaboration, they will develop a silo mentality and will compete against each other in the detriment of the organisation.

Amend structure to fit new processes

Develop teamwork (break down silo mentality)

✚ **Change Management methodology**

It is naïve to think everybody will love the new system because of its sophisticated features, Communication and user involvement throughout the development and implementation phases of the project, as well as good training on new HRIS are critical for success.

Change management plan

Communication of progress and attaining milestones

✚ **Project control and monitoring**

to execute new HRIS project without a written project plan will lead to failure. Loose project control could be the result of a weak project team and steering committee. Must have a project scope

Project plan (Gantt and PERT charts)

✚ **Cross integration between business system:**

Poor integration mostly the result of poor communication across functional departments during development of HRIS. Without effective communication the HRIS will be unable to interface with other business systems, such financial, operations or marketing system

Project steering committee

Integration between functional departments

10. Explain the concept of project creep. Indicate how this can be controlled. (5)

- + **Project creep is defined as the enlargement of the original boundaries of the project as defined in the project charter (2 marks).**
- + It can also be defined as the addition of functionality beyond what was defined in the project scope. Some people also refer to it as scope creep.
- + Controlling project creep is mandatory, especially if a major aspect of the project was omitted at the early planning stage. However, it can occur as end-users see the potential usefulness of computerisation (1 mark).
- + Controlling project creep is not always an easy task. Communication is a catalyst in the project team, as well as the entire organisation.
- + Project creep can be contained by frequent updates on the project's progress and on the project charter (2 marks). Project management (PM) tools must be utilised such as a Gantt chart which ensures that the project is meeting its goals (1 mark).
- + Project creep can therefore be controlled through clear and rapid communication (1 mark).
- + A clearly defined project scope will also help to prevent project creep.

Study Unit 7

HR metrics and Workforce analytics

1. Discuss HR metrics

- ✚ Are data/numbers that reflect some descriptive detail about given processes or outcomes.
- ✚ Metrics basically means to measure and analytics means a method of logical analysis. Metrics will give you business intelligence that will tell you what has happened, whether you are reaching your goals and what the problems might be.
- ✚ The terms 'HR metrics' and 'HR data' can be used interchangeably. HR metrics are simply a measurement of any function that has to do with HR. Measuring the number of staff sick days over a certain period of time would be an example of an HR metric. Tracking HR metrics (or data) can help ECEC employers identify trends, which can in turn help with HR planning.

2. Explain workforce analytics

Strategies combining data elements into metrics

Examining relationships/change in metrics -> informing managers of current or changing state of human capital.

Analytics can supply answers to why certain things are happening and can predict, should these trends continue, what the likely result will be. It focuses on developing new insights and understanding and optimising business performance.

3. Explain HR process efficiency

I take it "administrative process efficiency" is the same as "Process Administration" in fig. 7.2?

- Most metrics focus on admin process efficiency.
- This metrics focus on: how well HR department accomplishes its critical processes, to support org effect.
- Cost per hire, days to fill, % of performance reviews complete on time, HR depart costs as a % of total costs or sales.
- Process admin can only be used when the org processes are those that best support operating departs in pursuit of their goals.

4. Describe the important aspects of metrics and analytics

SG: 106: You can use it as a point of departure. Make sure you **study this for examination** purposes as well:

Metrics Checklist – What to Track????

- ✚ Metrics can be collected in a number of ways, and with a range of sophistication. Choosing a collection method should very much depend on the size and capacity of the organization. It is important to use a system that is manageable and sustainable over time. If you're new to HR metrics, you may want to begin by tracking the following:
 - ✓ Turnover metrics – by gender, age, service time in the organization, performance, job type and education;
 - ✓ Attendance – sick leave, vacation leave, overtime, leaves of absence - again by gender, age, service time in the organization, performance, job type and education, and also by weekday or month (for planning to hire replacement or contract employees);
 - ✓ Employee engagement or satisfaction – by surveys;
 - ✓ Performance appraisals – particularly by job type and education; and
 - ✓ Hiring metrics – how many people, how quickly, how much it costs to recruit, how qualified they are, how long they stay with the organization, and how satisfied the manager is with their performance.

Study Unit 8

Cost justifying HRIS investments

1. Explain why a cost-benefit analysis is critical for the success of an HRIS project

- ✓ You need to know what benefits the system will have for the organisation (before implementing it), to make sure it will make a significant (good) impact on the organisation's processes. (My own words)
- ✓ You need to know what the costs will be (before implementing it), the cost should be less than the benefits and the organisation should be able to make the payments. (My own words)
- ✓ This is done to get the approval of the senior manager team (TB: 205, middle) and to decide whether to implement a new HIRS or new HR functionality, or not. (TB: 208 bottom)

2. Explain the various strategies for HRIS investments

Risk Avoid:

- ✓ Used when investments could eliminate or mitigate significant future risks faced by the organisation.
- ✓ Circumstances in which this is used/popular: need to comply with laws and regulations and changes to these laws.
- ✓ Focus on: magnitude and probability of risk
- ✓ Not supported by extensive investment analyses required by a CBA.

Organisational Enhance:

- ✓ Highlights how the effectiveness of the organisation will be improved by the addition of a new improvement in HRIS
- ✓ More challenging to 'sell' -> since they do not carry the threat of real loss, if no action is taken.
- ✓ Requires more support and are subjected to more intense scrutiny.

3. Explain how the use of guidelines for approaches to investment analysis will lead to a better HRIS project

TB: 205-208

Nice summary on TB: 206, Table 8.1

4. Identify the costs and benefits in the CBA of an HRIS investment #4

Costs:

- any new outlay of cash required for the initial purchase, implementation, or ongoing maintenance of the investment. (TB: 208)
- TB: 213-214: **Implementation costs:** info readily available and ready offered in a dollar metric.
 - *Direct costs:* a) purchase + updates of software + additional hardware, b) ongoing costs.
 - *Indirect costs:* cannot know up front, but may arise in the process of implementing. impact of implementation on org -> lost productivity.
 - *Total costs:* a) scope/size of HRIS implementation, b) amount of customisation required, c) maturity of the HRIS functionality being considered, d) experience levels of the implementers.
- Costs should always be done AFTER benefits.

Benefits:

- any financial gain resulting from the investment that occurs at any time during the investment's useful life. (TB: 208)
- Direct benefits:*
 - revenue enhancements and cost reductions (TB: 210)
 - a) very likely to occur, b) whose values are easily estimated (TB: 211)
 - also known as 'hard' benefits: already offered in a dollar metric.
- Indirect benefits:*
 - Indirect/contingent sources of revenue (TB: 211 bottom) and indirect cost reductions (TB: 213)
 - Less easily quantified, because their occurrence may be less certain or their value more difficult to establish (TB: 211)

5. Discuss the direct and indirect benefits and costs

Costs:

- TB: 213-214: **Implementation costs:** info readily available and ready offered in a dollar metric.

- *Direct costs*: a) purchase + updates of software + additional hardware, b) ongoing costs.
- *Indirect costs*: cannot know up front, but may arise in the process of implementing. impact of implementation on org -> lost productivity.
- *Total costs*: a) scope/size of HRIS implementation, b) amount of customisation required, c) maturity of the HRIS functionality being considered, d) experience levels of the implementers.
- Costs should always be done AFTER benefits.

Benefits:

- *Direct benefits*:
 - revenue enhancements and cost reductions (TB: 210)
 - a) very likely to occur, b) whose values are easily estimated (TB: 211)
 - also known as 'hard' benefits: already offered in a dollar metric.
- *Indirect benefits*:
 - Indirect/contingent sources of revenue (TB: 211 bottom) and indirect cost reductions (TB: 213)
 - Less easily quantified, because their occurrence may be less certain or their value more difficult to establish (TB: 211)

6. Explain how direct and indirect costs and benefits should be estimated #6

Direct Benefits:

- *Direct Revenue enhancements*: additional revenue earned by selling x?
- *Direct Cost reduction*: changing the locations of HR functions to make it more effective, cancelling vendor contracts or reduces costs in say training programs.

Indirect Benefits:

- *Indirect rev enhance*: better customer services or improve potential of employees/training.
- *Indirect cost reduction*: making changes that will lead to a reduction in costs, reductions in absenteeism and turnover, reductions in time required to bring up trainees, reductions in amount of or requirements for tech support.

Direct Costs:

- The out-of-pocket costs: software, service agreements??

Indirect Costs:

- The impact of the implementation of the org = lost productivity ??

7. Discuss the common problems that may occur in an HRIS CBA #9

TB: 227-228

This section does not make sense to me!

The first paragraph states: "Recognizing only direct cost reductions is problematic for two reasons: First..."

But then they don't mention the second reason??? Or is the 2nd paragraph the second reason???:

" A second problem is that, in many instances, items listed as direct cost reductions are actually indirect cost reductions."

BUT then if paragraph 1 is reason one and paragraph 2 is reason 2, then what is the 5th paragraph (or 2nd paragraph on pg. 228) on about???

"Third, be sure that value estimates assigned to time saved are reasonable."

So I am confused??? What are the actual problems???

1 = the direct cost reduction problems

2 = ???

3 = estimates assigned to time saved???

8. How has the use of HRIS evolved over the past 10 years in organisations and how might this influence an organisations evaluation of additional investment in new or update HRIS functionality ?

HRIS has helped organisations to move away from a paper-intensive environment to a more electronic environment. This makes information easily accessible and also affects the workload of HR.

- ✚ Employee self-service modules in HRISs have dramatically decreased the administrative workload of HR departments as the employees themselves can make many administrative inputs. As these systems evolved, organisations could see huge cost and time savings.
- ✚ However, experts are of the opinion that it will be difficult to get the same administrative cost and time savings with future developments and add-ons in HRISs. What does this mean? It means that it will be more difficult for HR to use administrative cost-saving as a motivator for implementing these systems.
- ✚ The motivation should thus concentrate on the improved decision-making support that a modern HRIS will provide for management and that impacts on the effectiveness of the organisation.
- ✚ For companies that currently use paper-driven systems, cost-saving might still be a motivator. They can use a risk avoidance strategy (they might, for example, need accurate records for disciplinary and other actions and for CCMA cases) to justify the need for an HRIS.
- ✚ The organisational enhancement strategy incorporates a cost-saving or reduction strategy and companies can use this to determine the CBA for the investment in an HRIS. An example could be a staff inventory that can be used for training or promotional purposes. This will take up less time if an HRIS is used than it would be to obtain this information using a paper-based system.
- ✚ A modern HRIS has a number of standardised reports for managers to use, e.g. turnover metrics, attendance, performance goals and assessment results, which are generated at the push of a button. This HRIS can also give employees access to their own performance goals and supply online job-related training to improve their effectiveness.

9. Why is it important to estimate the benefits to be derived from a new HRIS functionality before you estimate the costs? If costs were estimated first, how might this change the analysis? (5)

- ✚ Recognising cost before estimating the benefits ignores HR's more strategic role in improving organisational effectiveness (1 mark).
- ✚ Online tools are designed to enhance employee job performance, not to reduce headcount. Ignoring this can lead to an underestimation of the actual value of HRIS (1 mark).
- ✚ Implementing an HRIS results in time saved, which is an indirect cost reduction (1 mark).
- ✚ This is an indirect benefit and its value depends on how individuals spend the extra time available to them (1 mark).
- ✚ Incorrectly recognising time saved as a direct cost reduction creates the wrong expectation among decision-makers (1 mark).
- ✚ It is important to train the CBA team to be able to examine the benefits of a change in HRIS functionality first before estimating the cost as this will probably result in a better analysis. If you focus on the cost before you have considered the benefits, this can lead to an inaccurate cost-benefits analysis. It makes it almost impossible to determine the level of benefits needed to ultimately justify the investment to be made in the HRIS. When this happens, the team will often not continue with the process of identifying the benefits, or the team might come up with benefits that are not truly benefits and these don't help to justify the investment (max 2 marks). (maximum of 5 marks)

Study Unit 9

Change management

Change management models

Model name	Description/def	Application/how does it work	Components	Benefits
Action research model General perspective to use in any planned change effort and are the basis of successful OD project.	Particular process model whereby behavioural science knowledge is applied to help a client solve real problems and not incidentally learn the processes involved in problem solving, while generating further knowledge to the field of applied behavioural science.	Interaction of managerial or organisational action and research that both evaluates the action taken and provide data for future planning of the change effort.	Initial data collection and gap analysis Feedback of results to HRIS project team Action planning for the next phase of HRIS project Directing and implementing change during next phase Data collection and analysis to evaluate the changes Feedback to results to the project team and action planning for the HRIS project.	Basis for all other change modules? While implementing change = more knowledge is gained?
Lewins change General model to understanding planned change And explained how informations system can be implemented more effectively.	Modifications of (opposing) forces that stabilise a system's behaviour. Forces on marinating stabilities (against change) and Forces driving change (for change). The balance = quasi-stationary equilibrium". To alter: decrease opposing forces + increasing forces for change.	Through 3 phases: Unfreezing, transition and refreezing.	Unfreezing= disconfirmation in status quo, guilt or survival anxiety, psych safety. Transition = ending, neutral zone and new beginnings Refreezing = changes in orgs culture, norms, policies and practices.	Easy and clear??? Helps keep change at new level (refreezing)???
Change equation formula	$C = (D \times V \times F) > R$??? Have to determine early on how ready people are to accept and implement change	Making use of a formula/calculation to see if the forces for change (D, V and F) are bigger than the forces against change (R) All three forces for change needs to be active there (and not missing) if any one is missing -> the product of the equation with be 0 = making the forces against change dominant.	C = change <u>Forces for change:</u> D = dissatisfaction with status quo V = vision F = first steps/feasibility <u>Forces against change:</u> R = Resistance to change or the costs.	can calculate how ready people are to implement change, before implementing it. Save the costs implementing change, if they can determine beforehand that it will not work.???
Nadler congruence model	A useful tool that helps change leaders understand the interplay of forces that shape the performance of each org.	Org are systems that if they fit/congruent with various org subsystems = can we expect changed and improved performance.	<ul style="list-style-type: none"> - Inputs: Environment, resources and history. - Strategy - Operating organisation/transformation process: Work activities, people that do the work, the formal of and the informal org - Outputs: 	3 benefits mentioned on TB: 250-251: Use a computer metaphor Helps to understand dynamics of change Help change leaders see org as organic and dynamic sets of people and processes that are interdependent.

			System, unit and individual	
Kotter eight stage change model	A process to manage change successfully and avoid the common pitfalls	Through key lessons and phases	The key phase – Unfreezing. Transition and change and Implementing and sustaining the change	

1. Compare/contrast how change is managed by means of various change management models

General model:

All change models fall in 2 categories (framework and process models)

Framework – Focus on topical areas change leaders pay attention to.

Process models – more robust and provide direct guidance

5 reasons why the used of changed model is helpful:

- ✓ **Categorised information** into manageable compartments
- ✓ **Enhance understanding** and information help to diagnose the problem and where action is required.
- ✓ **Interpret data about the organisation**, recognize linkages and in taking appropriate action to remedy any problem areas eg structure and strategy
- ✓ **Provide common language** to discuss change with stakeholders and the change team.
- ✓ **Guide actions** by providing roadmap with the sequence of actions and priority of those actions

2. Compare organisational development and change management

- + **Organisational development:** Planned system of change define as a set of behavioural science theories, values, strategies and techniques aimed at the planned change the of the organisational work setting for the purpose of enhancing individual development and improving organisational performance through alternation of organisational members
- + **Change Management** is the systematic process of applying the knowledge, tools and resources needed to effect change by transforming n organisation from its current state to some future desired state and focus more on changing employees attitudes and behaviour and only one part of the OD
- + **Change agent/change leader** - Person in charge of the change, can be someone from inside or outside the organisation.
- + **Gap analysis** Indicates the differences between the current state and the desired future state, sometimes done by senior management or HRIS project team by means of strategy forecasts or questionnaires distributed to employees
- + **Implementation of change is faced by** Resistance to change

3. Stages of change

Unfreeze

- ✓ Establish what must change.
 - ❖ Analyse the organisation to determine the current state.
 - ❖ Identify the purpose and advantages of change.
- ✓ Ensure strong support from top management.
 - ❖ Identify and win the support of key stakeholders in the organisation.
 - ❖ Make a strong business case for the change (i.e. support with CBA, customer satisfaction surveys, etc.).
- ✓ Create a sense of urgency.
 - ❖ Relate the need for change to the achievement of organisational goals.
 - ❖ Emphasise the risks/consequences of not changing.
- ✓ Manage and understand doubts and fears.
 - ❖ Discuss employee concerns and mitigate their anxiety.
 - ❖ Prepare everyone for what is coming.
 - ❖ Pay special attention to the benefits for all stakeholders.

Change

- ✓ Involve people in the transition process.
 - ❖ Allow people to go through the transition phase (ending, neutral zone and new beginnings).
 - ❖ Include external stakeholders in the process (employee organisations, etc.).
- ✓ Empower change actions.
 - ❖ Involve empowered line managers in change actions.

- ❖ Generate short-term wins to reinforce change.
- ✓ Engage and dispel rumours.
 - ❖ Deal with problems and questions immediately.
 - ❖ Time and open and honest communication are the keys to success.

✚ Refreeze

- ✓ Develop ways to sustain change.
 - ❖ Address the changes in the organisation's culture, norms, policies and practices.
 - ❖ Utilise Lewin's force field analysis to improve the possibilities and conditions for sustained change.
- ✓ Provide support and training.
 - ❖ Develop a training plan that includes current skills and future requirements.
 - ❖ Utilise power users to assist people who learn at a slower rate.
 - ❖ Establish a help desk to assist end-users.
- ✓ Acknowledge and reward success.
 - ❖ Embed successful change in performance metrics.
 - ❖ Communicate successes widely and repeatedly.

4. Appraise the reasons why HRIS implementation can fail

✚ Leadership:

- ✓ Leadership must set direction, pace and tone and provide a clear consistent rationale that brings everyone together behind a single mission.
- ✓ Without support, the organisation lacks the funding, approvals, leadership necessary to implement integrate and maintain the system
- ✓ Project managers require strong leadership and communication skills
- ✓ They must be able to :
 - ❖ Communicate clearly
 - ❖ Prioritise projects
 - ❖ Make tough decisions
 - ❖ Manage people effectively
 - ❖ Navigate the political environment
- ✓ With respect to leadership role and behaviour five areas of competency are required in the change process
 - ❖ Creating the case for change
 - ❖ Creating the structural change
 - ❖ Engaging others in the process and building commitment
 - ❖ Implementing and sustaining change
 - ❖ Facilitating and developing capability

✚ Planning:

- ✓ No clear vision for change
- ✓ Failure to define a clear and comprehensive project scope
- ✓ Lack of a comprehensive project plan
- ✓ Failure to define fully the function of the system
- ✓ Insufficient project funding
- ✓ Roles and responsibilities not clearly defined or understood by everyone
- ✓ Failure to meet budget and deadlines
- ✓ The change leadership team doesn't include early adopters, resisters, or informal leaders
- ✓ Inadequate testing of the system

✚ Change Management:

- ✓ Culture and level of readiness for change are not assessed prior to the start a project
- ✓ Change leaders fail to respect the power of the culture to kill the change
- ✓ No strategies to nurture or grow a new culture
- ✓ The change isn't piloted, so the organisation doesn't learn what is needed to support the change
- ✓ Organisation systems and other initiatives aren't aligned with the change
- ✓ End users are not involved in the process
- ✓ Lack of a plan for user resistance or rejection
- ✓ Processes are not reengineered

✚ **Communication:**

- ✓ Five elements for persuasive case for change :
 - ❖ Reason for the change – motive
 - ❖ Vision for the future
 - ❖ Plan for getting there - agenda, strategies, plans
 - ❖ Believe change is achievable- it is really possible
 - ❖ Expectations help people prepare for change
- ✓ Lack of comprehensive communication plan
- ✓ Ineffective ongoing communication with all affected stakeholders
- ✓ Failure to customise think that announcing the change is the same as implementing it

✚ **Training:**

- ✓ Inadequate or poor quality training
- ✓ Poor timing of training – too early or too late
- ✓ People are not enabled or encouraged to build new skills
- ✓ Lack of ongoing training
- ✓ Offer training in the early stages of refreezing since employees obtain a better idea of how to handle change.
- ✓ At the beginning of the project, a training plan should be developed
- ✓ The plan should include current skills and future requirements assessment for affected change

5. Discuss the elements that are important to successful HRIS implementation

Strategy ⇨ **Culture** ⇨ **Resources** ⇨ **Systems** ⇨ **Effective Change**

✚ An assessment of a firm's culture, gap analysis, is a useful tool in ensuring that the correct cultural elements are in place and aligned to support the strategy of vision, resources and system required to follow the roadmap.

✚ For each change initiative change leaders must align all four elements to endure lasting transformation. This alignment is conveyed by the arrows. All arrows should be pointing in the same direction, that is aligned with one another

✚ **Culture Issues:**

- ✓ One of the challenges of implementing any new HRIS is getting people to use the technology
- ✓ A wide variety of people and cultural issues play a huge role in any change effort or transformation
- ✓ Culture cannot only stop a change effort dead in its tracks, it can also propel it to great heights
- ✓ Culture is the collective programming of the mind which distinguishes the members of one group or category of people from another
- ✓ Organisational culture is a complex set of shared beliefs guiding values, behavioural norms and basic assumptions acquired over time, that shape people's thinking and behaviour, they are part of the social fabric of the organisation...its genetic code
- ✓ Not understanding a firm's culture in implementing an HRIS project can be fatal, the change literature is clear
- ✓ It is critical that change leaders fully understand the organisation's culture profile

✚ **Resistance to change:**

- ✓ It is natural for people to resist change because they are comfortable with their status quo
- ✓ Another barrier to change is the tendency for organisations to develop comfort levels based on their current performance especially if they are successful, they become overconfident
- ✓ Managers develop a myopic view of their company as the centre of the competitive universe
- ✓ Furthermore if organisations experience accumulation of failed change initiatives, employees can become burnt out and cynical which then becomes hard to create a feeling of enthusiasm and zeal
- ✓ The barriers and pitfalls to change notwithstanding change leaders must find a way to move beyond that status quo to overcome employee resistance to change and motivate employees to make the changes necessary to ensure the successful implementation of the new or upgrade HRIS
- ✓ Employees need to be informed about :
 - ❖ Why it is necessary
 - ❖ What will it change
 - ❖ What will change look like
- ✓ Fear and resistance to the new system from HR staff will be common and must be anticipated and addressed

- ✓ They may feel that HR is eliminating customer service to cut costs
- ✓ They can overly resist the change by refusing to make the change or use the new system

✚ **User Acceptance:**

- ✓ Change leaders must use appropriate change management techniques to create user acceptance
- ✓ A strong focus on communication, ongoing training and process reengineering will help prevent this underuse.
- ✓ The HRIS User Acceptance model contains four main elements considered prerequisites of user acceptance
 - ❖ Effort expectancy
 - ❖ Performance expectancy
 - ❖ Social and subjective norms
 - ❖ Facilitating conditions
- ✓ **Basic User Acceptance Model**

- ✓ User perception related to the user of the HRIS (effort expectancy is an important determinant of user acceptance)
- ✓ The extent to which a user perceives that the HRIS will enhance his job equals performance expectancy, is considered the strongest predictor of intention
- ✓ Social influence is considered as the degree to which users perceive other in the organisation to feel that the system is important (subjective norm)
- ✓ Facilitating conditions relate to the extent to which users believe that the organisation is committed and resources are in place to support implementation and use of the system
- ✓ It is important for end-users to feel ownership of a new system
- ✓ Not everyone will accept the changes at the same time
- ✓ Users acceptance can be influenced by demographics and culture.

6. Overall, what did Julia Woodland do right? What could she have done differently? (2)

- ✚ Julia Woodland was right in seeing that the solution to the immediate and long-term concerns of her department could be found in the implementation of an HRIS. She seemed to quickly contract with an HRIS provider/vendor but she didn't do a proper gap analysis, or speak to the users or involve others in the process. This is risky as the system could fail because of this.
- ✚ A possible solution would be for Julia to form a committee of representatives consisting of employees that are affected by the system in various ways. They would have been able to provide her with a full understanding of the factors affecting them. Furthermore, Julia had to compile a plan detailing the implementation of the system. This should have included the person taking responsibility for the process. She should also have communicated clearly about the change leader. A critical analysis of the gaps in the organisation should also have been in place.
- ✚ Julia should have compiled a detailed plan that included reaction to resistance to change. During and prior to the implementation employees should have received clear and regular information about the chosen HRIS, the benefits and how it affected them and their work. The communication should have been in clear and concise language that was easy to understand for all the employees. It would also have been important for Julia to receive feedback from the employees on how they perceive the system as this is vital to the implementation process.
- ✚ The implementation of a new system can only be successful if all parties concerned are "on the same page", and constant involvement of the relevant parties and communication to them are crucial. The implemented change should also have been monitored effectively to ensure that the desired outcome was reached. (1 mark for indicating what she did right and 1 for what she did wrong)

7. Were the correct people involved in the process? Whom would you have included and why? (3)

- ✚ It does not seem that anyone other than Julia Woodland and the HRIS provider were involved (1 mark). While these are the correct people to involve, in this case they are not the only two people who should have been involved in the process (1 mark).
- ✚ Julia should have involved end-users in her department and other departments (e.g. finance) as well as the IT department in the process (1 mark). Implementing an HRIS is a team effort. This is why the whole organisation must work and change together to ensure its efficiency and success.

8. What errors did Woodland make with her own staff? What impact might these errors have had on the success of the implementation? What should have been done? (5)

- ✚ Woodland should have included members of her staff in the process. The meetings behind closed doors created an environment where her staff began to wonder and became very concerned (1 mark). These employees probably made their own incorrect assumptions and conclusions (1 mark). Woodland also did not consider the feelings of her staff and their pride in their accomplishments to date in their efforts to build HR (1 mark). This is an error often made by managers. These errors might impact the staff's trust in Woodland, and can also contribute to resistance to change and acceptance of the new technology (1 mark).
- ✚ Although other factors also have an impact, Woodland's oversight can negatively impact on the employees' acceptance of the system, which in turn can have an impact on the overall success and implementation of the system (1 mark).
- ✚ Transparency is extremely important and a transparent HR department is something that Woodland neglected. Having a transparent HR department can promote communication and increase participation among the employees (1 mark). This would have had a huge impact in this situation.
- ✚ Woodland also should have had a proper and clear communication plan. She should have informed her staff of what was happening, when, how and where as well as how it might affect their jobs and responsibilities (1 mark).
- ✚ By keeping the employees updated on the progress and the system, a lot of uncertainty could have been avoided (1 mark). (maximum of 5 marks)

9. How can training be used in this case to make the implementation more successful? (5)

- ✚ In this case, training could be used to make the implementation more successful in the following ways:
 - ✓ Show a complete assessment of the current skills and future requirements for all who will be affected by the change.
 - ✓ Take away concern for how the system will work by having some training early in the process. This should be followed by detailed training just before the system will be used or training to train the users on the actual system.
 - ✓ Advanced training in phases could be provided as users become accustomed to performing routine tasks. The training can also include retraining or training when people change jobs, are promoted, etc., and their responsibilities change, which results in advanced use of the system.
 - ✓ "Power users" who adapt to the new technology quickly could provide one-on-one on-the-job training to those who don't learn the system as rapidly. Analysts are often referred to as power users as they assess more receive feedback from the employees on how they perceive the system as this is vital to the implementation process.
 - ✓ The implementation of a new system can only be successful if all parties concerned are "on the same page", and constant involvement of the relevant parties and communication to them are crucial.
 - ✓ The implemented change should also have been monitored effectively to ensure that the desired outcome was reached. (1 mark for indicating what she did right and 1 for what she did wrong)

Study Unit 10

HR Administration and Human Resource Information Systems

- ✚ Employee database/ employee master file should be accurate and up to date, this allows HR Professionals to use the software in the HRIS to develop HR programs such as recruitment and compensation, with confidence
- ✚ The use of HRIS for compliance with laws and guidelines absolutely requires an accurate and timely database
- ✚ Benchmark data use in cost benefit analysis of HR programs demand accuracy in the employee master file or serious costly mistakes could be made in decisions to continue or expand on HR program such as e-learning
- ✚ The accuracy of employee master file is doubly important because of the use of the data and results to build the HR balance scorecard which is used to assess strategic alignment with organisation goals

Explain the basic role of job analysis in human resources and how HRIS can support this

- ✚ A job analysis (JA) should be conducted from which job descriptions can be derived using one of a variety of techniques available.
- ✚ Job analysis provided what each job entails as well as what knowledge, skills and abilities (KSA) are necessary to perform a job successfully
- ✚ Job Analysis is the process of systematically obtaining info about jobs by determining the duties, tasks from which KSA can be estimated. Job analysis defines the working contract between the employee and the organisation

Approaches and techniques

- ✚ Job analysis involves the following
 - ✓ Identify the sources of information about the job
 - ✓ Identify the type of job information need – KSA
 - ✓ Determine the appropriate methods of collecting the job data
 - ✓ Consider using one or more of the standardised techniques for conducting job analysis to enhance the final job description – Position analysis questionnaire (PAQ) or functional job analysis (FJA)

HRIS Application

- ✚ Maintaining accurate job descriptions can be aided by HRIS
- ✚ Service oriented architecture (SOA) with self service portals for employee(ESS) and managers (MSS) can be used to make sure that job descriptions remain accurate and timely
- ✚ This information should be stored in the HRIS and it is important that this information remain accurate and timely.

What can HRIS assist with?

- ✚ It can help managers tasked with improving efficiency of HR administration by :
 - reducing costs
 - enhancing reliability of reporting
 - improving service to internal customers

How HRIS can facilitate HR administration

- ✚ Improving data accuracy by reducing the need for multiple inputs, eliminating the need in data and reducing the opportunity for human input errors and corrections
- ✚ Speeding up the process of building reports with simple query capabilities via related database
- ✚ Supporting differences in reporting mandated by global governmental jurisdiction, if properly designed for flexibility
- ✚ Securing global distribution of data while providing the desired privacy for employee data and improving service to internal customers.

Discuss the complexity of HR administration and the advantages of an HRIS over traditional paper-based systems

- ✚ HR has evolved over the years and the administration of transactions has become more complex as organisations have become more complex.
- ✚ In addition, the use of computers has increased and HR has moved away from paper-based systems to computerised systems.
- ✚ HRIS provides a lot of support for daily HR transactions, complex situations and reporting. We are now using technology to reduce operating costs and to increase HR's efficiency.
- ✚ At the same time, we have more accurate information available almost immediately and we can provide better customer service and improve employee productivity.

Discuss the advantages of service-oriented architecture (SOA) for the HRIS

SOA is a paradigm for organising and utilising distributed (computing) capabilities that may be under the control of different ownership domains providing a uniform means to offer, discover, interact with and use capabilities to provide desired business effects

Advantages of SOA

- ✓ **security is improved**, this is especially important because of the privacy protection issues associated with HRA data and applications
- ✓ **performance is enhanced**, this aids in reducing transaction costs and increasing customer satisfaction
- ✓ auditing capabilities are added, this supports the growing demand to demonstrate compliance with corporate quality and police mandates
- ✓ **change capabilities are enhanced**, this improves reaction time to better meet business driven changes requirements
- ✓ **alternative HR administration structures eg self service portals SSC, outsourcing are facilitated**, this encourages HR managers to consider multiple approaches to meeting the HR administration goals of cost reduction and service improvement.

Differentiate between various structural approaches to HR administration service delivery and list its advantages

Self-service portals (SSP)

- ✓ An electronic access point to organisations HRM info such as company policies, benefits, schedules, payroll data and may be accessed via computers, intranet or remotely from other locations via the internet
 - ✓ Employee self-service portals provide an electronic means for a company employees to access HR service and info, FROM simple intranet websites: to access HR policies TO sophisticated Internet websites and allows to change or update personal info/records.
 - ✓ ESS is also available to prospective employees, eg individuals who have applied for jobs online through an employer's website
 - ✓ Manager self-service portals are specialized versions of ESS portals designed to allow managers to view extensive info about their subordinates and perform management tasks electronically such as performance appraisals, salaries, training histories and annual salary increases.
- ❖ **Advantages:**
- ✓ Self Service portals provide several advantages for achieving HR administration goals :
 - ✓ Improve speed and quality of service to employees and managers.
 - ✓ Simplified routine inquiries and changes, reducing number of inquiry transactions requiring direct HR staff involvement helps keep information current.
 - ✓ SSP enhances employee satisfaction by permitting control when and where access activities occur, empowering and increasing their productivity especially those who travel regularly.
 - ✓ Facilitates easy and increased access to HR info helping ensure employees that important personal data are accurate and current.
 - ✓ To managers -> more accurate, timely info = improved managerial decision making + reduce number of transactions HR employees reducing overall all HR costs.
- ❖ **Disadvantages:**
- ✓ Permitting employees to access company data through SSP may increase the possibility of security breaches and its negative outcomes like identity thefts
 - ✓ Employees are concerned about their data being misused or privacy invaded (past mistakes or negative info).
 - ✓ Unions argue that employees are doing HR work when they enter and change data
 - ✓ Managers resent having to do work that was previously done by HR staff.
 - ✓ Managers have to do more work than normal, as well as have to enforce standardised interfaces that (is perceived to) may lead to reduction in their status and power
- ### Shared-service centers
- ✓ Technology-enabled HRM group focused on value creation by providing excellent service to internal customers while reducing costs through increased efficiency and continuous improvement
 - ✓ In response to increased globalisation and spread of MNEs -> pressure to reduce costs while still providing excellent service. Thus balancing desire for control in centralized admin structures and desire for flexibility in decentralised admin structures.

- ✓ One or more staff functions are concentrated in a semi-autonomous organisations and managed like a business unit to: promote greater efficiency, value generation and improved service for internal customers.
- ✓ Common elements of SSCs
 - Centralising and decentralizing of SSCs
 - Using economies of scale to reduce unit costs
 - Developing customer relationship models to better meet customer needs

❖ **Advantages:**

- ✓ Permitting HR admin managers to focus on delivering the timely, high-quality transactions necessary to fulfill corporate requirements.
- ✓ Removing artificial barriers inherent in generalist and specialist continuum common in HR organization, thus smoothing work and communications processes.
- ✓ Combining transactional responsibilities into single unit encourages focus on customer satisfaction with specific user interactions freeing specialists to focus on more strategic activities
- ✓ Encourage efficiency and standardisation necessary to support strategic cost-control goals.
- ✓ Development of measures of efficiency, quality and customer responsiveness.

❖ **Disadvantages:**

- ✓ The synergies needed to combine and improve processes may be less dominant.
- ✓ Creating SSCs may lead to unanticipated power shifts in organisations.
- ✓ SSCs can lead to depersonalisation - line managers may have increased feelings of isolation or abandonment.

✚ **(HR) outsourcing**

- ✓ The practices of contracting with vendors outside or external to the organisation for perform HR services and activities.
- ✓ There are different types of outsourcing for different types of organisational needs.
- ✓ The contract includes: specific pricing agreements, expected performances and associated measures, and terms and conditions.
- ✓ Reasons to pursue HR outsourcing
 - Discreet or selected functions through niche third party providers because if can achieve cost saving by eliminating the company's need to hire highly specialised HR professionals
 - Multiprocess HRO, also known as comprehensive or blended service outsourcing
 - Total HRO involves having all, or nearly all HR functions handled by one or more external vendors

❖ **Advantages:**

- ✓ Financial-organisations seeking to increase profitability and enhance shareowner value to reduce expenses for employees and software
- ✓ Strategic advantages include ability of the organisation to better focus on its core business by transforming the HR function. (focusing on long-term, not short term/day to day)

❖ **Disadvantages:**

- ✓ Firms that use this approach, without understanding how to manage it to achieve desired goals -> the likelihood that organisation will not achieve its strategic goals.
- ✓ The loss of institutional expertise in the outsourced functions making and HBO decision reversal difficult or impossible (reassigning or releasing HR subject matter experts)
- ✓ Other problems like: security risks, compliance failures or cultural clashes.
- ✓ Backsourcing , cancelling outsourcing contract and taking back the HR functions can be expensive as firms pay twice, first when outsourcing and again when back-sourcing.

✚ **Offshoring**

- ✓ Offshoring means getting work done in a different country.
- ✓ An extension of outsourcing and it involves contracting with vendors outside a nation's boundaries to effect additional cost savings or gain other benefits over domestic outsourcing alone. Thus sending work outside countries.
- ✓ Type of Offshore
 - **ownership** - opening a new subsidiary in the foreign countries, entering into a joint ventures with existing firm or purchasing existing firm in other country. Offshoring ownership is riskier than simple offshoring outsourcing
 - **outsourcing** is a traditional contractual relationship with an existing firm. Offshoring outsourcing strategy is less risky that offshore ownership

describe how legislation and legal compliance impact HRIS functionality

- ✚ There are numerous aspects that organisations have to comply with.
- ✚ These can be built into the HRIS, and organisations can even create checklists to ensure that they follow the correct procedures or collect the correct information in, for example, a disciplinary procedure.
- ✚ The same goes for injuries on duty and compiling reports on various matters such as safety and skills. In terms of BEE status, the generic requirements to measure BEE status, as set out in Code 000, are as follows:
- ✚ Can you see that the majority of the scorecard information can be derived from your HRIS? Provided, of course, that you have given enough detail in the data fields to extract the required information, or alternatively, provided you have links to the other systems where this data is acted on (e.g. the procurement system).
- ✚ Once you know what information needs to be inserted, the HRIS report writer can collate this report at the press of a button

Discuss the elements important to successful measurement of the strategic alignment of the HR balanced scorecard and how this alignment is related to the strategic alignment of an organisation

- ✚ The balanced scorecard is a strategic planning and management system that is used extensively in business and industry, government, and nonprofit organizations worldwide to align business activities to the vision and strategy of the organization, improve internal and external communications, and monitor organization performance against strategic goals.
- ✚ It is a performance measurement framework that added strategic non-financial performance measures to traditional financial metrics to give managers and executives a more 'balanced' view of organizational performance
- ✚ **Balanced Scorecard components**
 - ✓ Financial
 - ✓ Customers
 - ✓ Internal business processes
 - ✓ Learning and growth
- ✚ **HR Balanced Scorecard Linkages –from General BSC - Diagram 10.11**

- ✚ **Sample HR scorecard measures - Diagram 10.12**

Study Unit 11

Talent Management

Describe talent management (TM) and its link to human resource planning, human capital management, strategic human resource management and the organisational strategy

- ✚ Talent management is the systematic attraction, identification, development, engagement, retention and deployment of those individuals who are of particular value to an organisation, either in view of their 'high potential' for the future or because they are fulfilling business/operation-critical roles.
 - ✓ Talent means all individuals who can contribute meaningfully to the overall growth and competitive advantage of the organisation.
 - ✓ This is not reserved for top management only, but includes all people with the **essential** skills and aptitude to meet current and future business needs.
 - ✓ To gain competitive advantage talent must be managed well
 - ✓ Talent is used to indicate those individuals who really make a difference, or who can make a difference in the future, to the success of the organisation.
- ✚ Talent Management then includes all the actions needed to attract, develop, utilise and retain these people
- ✚ The underlying requirement of TM is forecasting the need for talented employees in terms of both numbers and skills
- ✚ Managing talent = Forecasting future demand and supply of employees through human resource planning (**HRP**)
- ✚ Human Resource Planning also referred to as Workforce Management is closely related to **strategic HRM**
- ✚ The aim of HRP is to have the best available people working in the proper jobs at the appropriate time so that the organisation maximises productive capacity.
- ✚ HRP begins with the identification of the strategic goals of the company and of how an HRP program can assist in achieving the effective use of the human capital

Discuss the importance of TM and the TM life cycle

Step 1-Estimate demand for leadership labour, the number of new leaders needed to replace the retiring baby boomers

Step 2 -Estimate supply of leaders available in both the labour market and internal to the organisation.

Step 3 -Calculate the difference between estimated supply and demand for new and potential leaders

Step 4 -Use HR programs to make changes the difference so that supply and demand are equalised, eg hiring new leaders

Step 5- When the estimate supply and demand become different the life cycle starts all over again.

- ✚ Acquiring and growing a talented human capital workforce that adapts to the new challenges occasioned by changes in the marketplace is key to the TM Cycle

Discuss the common attributes of talented individuals

- ✚ **Ability to communicate with others using multiple media** – with others using multiple media such phone, presentations, email. An individual's ideas may be the best but unless communicated those ideas have no impact
- ✚ **Drive** – motivation plays a big role in determining who succeeds in any venture
- ✚ **Ability and a willingness to listen to the ideas of others**
- ✚ **Problem-solving skills** - whether handling a small request or closing the biggest deal
- ✚ **Imagination** – the closest version of the word imagination from business perspective is when we are asked to think outside the box

Explain the steps to follow in developing and using human resource planning

HRP Process Model - begins with the identification of strategic goals of the company and how HRP can assist to achieve the effective use of human capital.

Changes in organisation strategy and business objective focus attention to the use of HRP program to estimate 3 factors: number of employees needed for growth or decline, required competences and behaviours of those employees, required levels of productivity expected from those employees

Implement the HRP program for all employees, sales associates to senior managers

3 major phases:

- **Setting HRP Objectives**
 - estimating demand for total employees in a future business scenario

- estimating supply of available labour involves two components, internal and external
- **Planning personnel programs**
 - Calculating the gap between the demand for employees and the supply
 - Planning for HR programs to close the gap, to provide employees to fill in jobs
- **Evaluation and control**
 - Implementation of the planned HR programs from phase 2
 - Evaluation of the new programs to determine if they have actually closed the gap

Explain how talent management contributes to the organisational strategy

- ✚ The business strategy follows after the corporate strategy, so the organisation first needs to know where it is headed. The business strategy helps it to penetrate this market. The role of HR in all of this is that people are the number one asset of any organisation. The HR department has to play the role of value creator and the HR function has to be a high-performing system
- ✚ **Corporate Strategy:** What business to pursue to maximise long term profitability and growth/how to enter particular market.
- ✚ **Business Strategy :** This defines how the organisation can compete in an effective manner against other companies doing the same thing

Explain how corporate culture affects TM

- ✚ If a potential job applicant can relate to the culture of the organisation, in other words if they feel that the values and norms are the same as theirs, this will have an impact on their actions and beliefs. But what about talent management?
- ✚ Part of the culture at Google is to give every employee the space to be creative and to spend a certain amount of their time on new projects. The company thus creates a culture of innovation and a learning culture.
- ✚ To have a culture where all of this is supported, it is crucial that the organisation also have managers that can support this. These managers also have to manage their employees in such a manner that it increases their performance. This will ultimately have an impact on the organisation's success. Google has identified eight fundamentals for leaders as discussed in this article:
- ✚ There should thus be a fit between the employee, managers and the organisation and its culture for talent management to be successful.
- ✚ What we have learnt thus far in this learning unit is very interesting and we are sure you will agree that all these aspects are very important. But you have probably also realised that all these efforts require support from HR and the HRIS can also play an important role here

Discuss how an HRIS can support TM in organisations

- ✚ It is important to use the HRIS to ensure that the basic HR processes of attracting, training and developing and retaining talent in the organisations are done well.
- ✚ Measuring the ROI in the HR balanced scorecard must justify the acquisition and use of human capital
- ✚ What are the basic information requirements that measure the success of a TM programme?
 - ✓ the number of talented individuals hired
 - ✓ the training of these talented individuals
 - ✓ their job performance
 - ✓ their retention
- ✚ The HRIS can assist managers in measuring how well the various HR programmes are meeting expectations and how they contribute to the organisation's.
- ✚ The HRIS can support HR's talent management efforts in numerous ways.
- ✚ The balanced scorecard is very useful in this context, but the results will only be as accurate as the information or data in the system.
- ✚ The HRIS can, for example, inform the organisation of what skills the current workforce has for a comparison with the skills required by the future strategy and the demand for those particular skills.
- ✚ Having the correct HRIS for the particular organisation is crucial as each organisation has different goals, strategies and needs.
- ✚ In the TM drive organisations will use a variety of information systems or other technology to ensure that they have and keep the best available talent

Discuss how workforce analytics are used in TM

- ✚ Analytics can build a model of what the future may hold, but businesses cannot rely solely on strategic decision making based solely on the results of predictive analysis.
- ✚ Other factors must be taken into consideration, such as the competition, government regulations or the current state of the economy.
- ✚ Analytics by themselves cannot solve everything, but they can provide the fuel for intelligent decision making, good information.
- ✚ Analytics can be used to gain competitive advantage in the marketplace.
- ✚ The real use of analytics in TM is to use the analytics model characteristics of success, in terms of the skills and abilities of employees who were successful in the company versus employees who were not successful.
- ✚ This empirical analytics model could then be used for a pool of existing employees or new potential hires to determining their possibility of success in the organisation
- ✚ For new hires, by successfully using analytics, a company can better train its managers on hiring tactics, and resources can be better funnelled to the right recruitment channel
- ✚ For existing employees, analytics can be used to understand the personal characteristics of successful employees, data such as previous work experience, education and training both within and outside the company

Briefly discuss the link between talent management and HRIS. (10)

- ✚ Talent management involves **investing in human capital** (1 mark).
- ✚ The HRIS ensures that HR practices, such as **attracting, employing, training and developing employees and also retaining** them in the organisation, are executed efficiently and consistently. This forms the **core of talent management** (2 marks).
- ✚ Talent management programmes show the number of talented individuals hired, their training and development, their job performance and the retention of these individuals (1 mark).
- ✚ The HRIS can capture the result based on performance criteria. This will measure the efficiency of the HR programmes as part of overall talent management to ensure that expectations are met (1 mark).
- ✚ Results can also be used to measure the cost-benefit to identify the profitability to the organisation (1 mark).
- ✚ HRIS can help establish the best talent management programmes regardless of job level by building consistency and setting standards (1mark).
- ✚ The idea is that the HRIS monitors and measures the overall contributions of talented employees with the balanced scorecard, and the results could affect the design of other HRM programmes (1 mark).
- ✚ Information systems can be intertwined with all aspects of talent management. The HRIS can help to ensure that the best processes are implemented, accepted and used by the broader workforce in the organisation (1 mark).
- ✚ Several questions have to be asked when the organisation decides how to optimally use the HRIS to support its talent management programme (1 mark).
- ✚ Talent management software applications use the software as a service (SaaS) approach (1 mark).
- ✚ SaaS implies that the complete application is delivered via the internet. In conjunction with talent management, it is extremely important that accurate and timely data be provided to ensure a successful talent management programme (1 mark).
- ✚ Adequate research and data gathering should be conducted to ensure that new HR programmes close the gap between forecasted demand and supply of human capital by identifying what skills are needed based on the future strategy (1 mark).
- ✚ HRIS allows for the provision of information on current employee skills, succession, relationships and leadership readiness (1 mark).
- ✚ In some cases organisations are not capable of developing their own programmes and processes. Then they can use external HRIS consultants (1 mark).
- ✚ Different companies offer different products aimed at a variety of organisations that differ in size. (maximum of 10 marks)

Study Unit 12

Recruitment and Selection in an Internet context

Explain the relationship between the internet and organisational recruiting objectives

Recruitment is the process of attracting individuals on a timely basis, in sufficient numbers and with appropriate qualifications, to apply for jobs with an organization.

- The goal of recruitment is to identify, attract and hire the most qualified people.
- This task has become challenging because there is growing competition for talent in the labour market.
- Companies are increasingly being required to expand their search for applicants beyond local and domestic borders.
- As a result they have begun using the internet as a means of attracting job applicants
- Both large and small companies are turning to online recruitment

Differentiate between the potential advantages and disadvantages of online recruitment in the framework of recruiting objectives

- + Online recruitment has an influence on recruitment objectives in the sense that it can reduce costs and speed up the recruitment process,
- + Recruiters have to ensure that applicants have a realistic preview of the job and the organisation as this will have a huge impact on the psychological contract and then ultimately the satisfaction of the employees and whether they decide to stay with the organisation or not (retention).
- + By recruiting online the organisation makes it easy for applicants as the feature is available 24 hours a day and they can complete their applications when it is convenient for them which may result in more applications received, care must however be taken to ensure that the job requirements are clearly spelled out as this will help applications of people who obviously do not qualify for the job.
- + Worldwide and especially in South Africa online recruitment may pose challenges in terms of workforce diversity, not all people have access to the internet or will use online recruitment to apply for jobs and this may exclude potential applicants that poses problems in terms of our current labour legislation.
- + The type of job may also have an impact on this –if the job does not require computer literacy or skills people without those skills will not look on the company website for a job which means that these people are then automatically disadvantaged in the process.

Recruitment Objective	Advantage / Disadvantage
Cost of filling the job opening	Online recruitment does reduce costs Not always the appropriate source/medium Effectiveness must be tracked May also generate a large number of applications, which may result on an administrative burden for organisations.
Speed of filling Job vacancies	Online recruitment may decrease the cycle times and increase the efficiency of the process by allowing organisations to spend less time gathering strong data
Psychological Contract fulfilment Employee satisfaction Retention rates	Online application's perception of organisation's culture positively influences the perception of their fit with the organisation Website that incorporate testimonies would strongly convey culture perceptions to viewers that those without The use of online recruitment can impact the psychological contract Inaccurate, overly optimistic or vague information can lead to unrealistic expectations about the psychological contract between the organisation and individual Violation of psychological contract can often lead to negative attitude and behaviours and high levels of employees dissatisfaction and eventually greater turnover Organisations should use a realistic job preview and the employment brand message
Quantity	Convenient for applications and available 24hrs a day. Although this convenience can be very beneficial, it may encourage applicants to apply without assessing their own qualifications, which results in a large volume of applicants

Quality	<p>Applicants may tailor the content of their resumes to the words in the job description to enhance their chance of passing through the screening process</p> <p>Therefore organisations using online recruitment need to be concerned with the quality of the numerous applicants received.</p> <p>Online applicants are typically well educated, driven, with high need for achievement seeking relatively high-level jobs, however these applicants are more likely to be job hoppers</p> <p>Online recruitment appeals to fealty well educated applicants</p>
Diversity of Applicants	<p>Use of online may limit the extent to which an organisation attracts qualified women or older workers and some other minorities</p> <p>Online may help organisations meet objectives of necessary numbers of job applicants but it is not clear whether it will help attract highly qualified applicants.</p> <p>Online may not help achieve diversity related goals</p>

Discuss recruitment strategies and social networking

- ✓ Organisations have always used social relationships and networking, including employee referrals to attract talent.
- ✓ Increasingly social networking sites such as Facebook, Twitter and LinkedIn are gaining in use and popularity.
- ✓ They now provide a unique method of allowing recruitment professionals to source, contact and screen both active and passive job candidates.
- ✓ More frequently used than before – most organisations do not have a formal policy about this
- ✓ Not used to screen applicants because of legal issues associated with social networking
- ✓ Negative information provided on social sites has negative impact on hiring decisions

Benefits to using social networking websites (SNWs) for recruiting and selection purposes

- Proliferation
- Targeted applicant pool
- Use in selection
- Saliency of more negative profile information than positive
- Merit as a worthwhile recruiting source

The use of social networks has a huge impact on organisations in terms of recruitment, organisations have to have a policy about this, the information available on these sites can also not always be verified or confirmed and the type of information available will also have an impact on the hiring decisions that organisations make.

Example: if a Secondary school is looking for a new teacher and they decide to look on the candidate's Facebook or other social network profiles and they find negative comments about the school that the person is currently employed at or comments about the head master, children or parents of the children or even colleagues this will have a negative impact on the candidate and it may influence their chance to be hired.

Critically discuss the relationship between selection and assessment with HRIS

Applicant information acquired through the company's online recruitment can be funnelled into the company's HRIS

- ✓ The use of HRIS in the recruiting process can make the process more efficient and effective by having information readily available and usable in a moment's notice
- ✓ The HRIS can also allow for applicant tracking.
- ✓ Applicant tracking allows for the generation of applicant profiles which are completed through application blanks and/or resumes
- ✓ These profiles can aid the hiring managers in their employment decisions
- ✓ Recruiters or hiring managers can perform keyword searches to find suitable qualified applicants for available jobs
- ✓ Applicant tracking also allows Recruiters, Hiring Managers and sometimes the applicants themselves, to see where they are in the hiring process
- ✓ The HRIS can provide yield ratios for each recruiting source and also support relevant legislation, for example EEA
- ✓ Applicant data can also be stored and searched for future vacancies
- ✓ When applicants become new hires the HRIS provides the data to populate the core HR system and other HR purposes, such as payroll and benefits
- ✓ Bulk rejection of applicants / Blacklist applicants / automatic correspondence
- ✓ Applications can with the assistance of an HRIS also be tracked, searches can be performed in specific applications and parties concerned can establish where in the process the application is.

Critically discuss the attributes that a good recruiting website should have.(15)

A number of attributes are important to consider when designing a recruitment website for an organisation. Usually web design experts are part of the team, but from an HR perspective it is important that we contribute and communicate the need clearly. This will ensure that the end product meets the need, which should result in a pool of suitable recruits that the organisation can choose from to fill the vacant positions.

- ✚ **Navigability** (1 mark) refers to how easily a user can browse through multiple web pages to locate topics of interest. Information on the website must be current and hyperlinks must engage the user and strike interest. The three-click rule should be applied to locate interesting information. This means that a user should find the information that they are looking for within three mouse clicks. If a website is properly designed and planned, this should be possible. This should help to keep the reader or user of the website interested. (2 marks for the discussion)
- ✚ **Content** (1 mark) refers to the degree to which the website hosts relevant information that is deemed valuable and informative. This includes providing information that is desired and that can sustain interest and satisfaction with the website. Media richness refers to whether the website contains enough relevant and accessible information to reduce user uncertainty and subsequent anxiety towards the target source. (2 marks for the discussion)
- ✚ **The website should have detailed information** about the organisation to allow the applicant to make an informed decision. Information on the website must be customised to the organisation, as it will allow appropriate self-selection behaviour (1 mark). A website that provides direct feedback to applicants regarding the person-job (P-J) and person-organisation (P-O) fit will attract a more qualified applicant pool. This is why it is important to maximise the information that is most likely going to influence perceptions and then engage the user to look for and understand this information. (2 marks for the discussion)
- ✚ **Attention must be paid to the aesthetic features** (1 mark) of the website to engage the interest and attention of the user. The stylistic or innovative aspects of the website will determine whether the user stays engaged. These attributes can also depict the image and organisational culture. The style can stimulate a more favourable perception which is related to organisational attraction. This can be done by investing in the latest web design. (2 marks for the discussion)
- ✚ **The usability** (1 mark) of the website depends on integrating these attributes together. It affects the applicant's perception of and attitude towards the organisation. Hosting job openings on the website must be based on the organisation's resources and strategy. A website that is recruiting and screening oriented is capable of listing job openings and accepting applications through a secure server. One that focuses solely on recruiting just hosts a list of job openings with an option of submitting an application via various other sources, such as e-mail. A website must be secure and trustworthy to promote the participation of the applicant. (2 marks for the discussion) (maximum of 15 marks, 1 mark per attribute and 2 marks for an appropriate discussion)

Explain the value of HRIS selection applications through the use of utility analysis

- ✚ Organisations should ensure that the tests/assessments that they use during the selection process are fair, related to the job and can predict job performance accurately. In other words, they should be **valid, reliable and based on the inherent job requirements**.
- ✚ Tests are important as we can **determine the abilities, skills and knowledge** of candidates and base our decisions on these assessments. However, for different jobs different types of assessment will be valid. Various **legislation governs our selection practices** in South Africa and also internationally, depending on the country involved. In South Africa organisations have to ensure that the tests do not unfairly discriminate against any candidates and that the tests are not culturally biased.
- ✚ Test information can be used to **provide strategic information** to organisations about, for example, the skill level of new appointees.
- ✚ **The HRIS can help to determine what the actual cost of selection is.**
- ✚ There are numerous challenges in terms of selection and the use of technology in assessments. Do traditional pen-and-paper tests and computerised tests measure the same thing and produce the same results? Simulations, for example, are not necessarily the best predictor of job performance, and a combination of tests might be preferred. There are also logistical challenges in creating a simulated work environment.
- ✚ The test environment and circumstances under which tests are conducted are very important in terms of the test results. Some organisations use online tests where no person is responsible for ensuring that the environment is conducive, and all candidates receive the same instructions. This may influence the test results. Test security is another issue here, as well as equal and fair access.

- ✚ Systems can be used to keep track of data and link different data, based on online test results. For example, the system can automatically direct the candidate to additional forms or tests to complete and it can track applicants. Information about applicants can be stored from the moment that they apply to even after appointment. Clear policies should, however, be in place.
- ✚ HR should use the data available correctly and they should use the right data for the right purpose. This will demonstrate the value of the HRIS and how HR adds value. After appointing a candidate, test performance can be compared with actual performance on the job. In some cases people are appointed that can do more or have more skills. The HRIS can assist in identifying these and adjusting performance criteria or identifying people with skills not currently being used. A utility formula can also be used.

Study Unit 13

Training and development

Concept	Definition/description
Training	The planned acquisition of knowledge, skills and abilities (KSA) to carry out a specific task or job in a vocational setting. The purpose of training is to attain a positive change in performance
Education	Is aimed at developing, usually as part of a formal program of study, general knowledge, understanding and moral values
Development	Is a continuous process of systematic advancement, of becoming increasingly more complex, more elaborate and differentiated, by virtue of learning and maturation
Competencies	Consist of KSA and the underlying characteristics of a person that allow the jobholders to perform a task effectively
Knowledge management	Essentially consists of five separate activities, which are the acquisition, documentation, transfer, creation and application of knowledge
What happens if an organisation's culture rewards learning?	It facilitates KM and the transformation of the firm into a knowledge organisation.
Three-level model of learning	<p>single loop – adaptive and focuses on the detection of deviation in performance from established organisation norms, practises, policies and procedures</p> <p>double loop – questions the suitability of norms, practices, policies and procedures that define performance standards</p> <p>triple loop - challenges the rationale of the organisation with the aim of completely transforming it</p>
Interrelated disciplines to be cultivated for learning and success:	<p>Personal mastery – individual growth</p> <p>Mental models – deep-rooted assumptions that affect perceptions</p> <p>Shared vision - shared view of the organisations future</p> <p>Team learning – a shift from individual learning to collective learning</p> <p>Systems thinking – “fifth discipline” connects the previous discipline</p>
HRIS and T&D – the link	HRIS T&D applications play a fundamental role in fostering organisational learning. These applications provide organisations with a mechanisms to assess, measure, facilitate, manage and record systematically the LT&D of each employee and thus the entire organisation

Explain the cost and benefits metrics associated with training

A considerable direct cost is the loss of production sustained though the absence of trainees from work for the duration of the training.

E-Learning significantly reduces this element of direct costs, as trainees generally do not have to leave the place of work to participate in online training

The actual benefits to the firm may be difficult to ascertain as many of them take a long time to materialise or can be of an intangible nature.

Organisation use a number of approached to pursue this quest including the balance scorecard and ROI

Critical factors in HR development evaluation that compliments the assessment of training outcomes :

- ✓ Evaluation occurs within a complex dynamic and variable environment
- ✓ Evaluation is essentially a political activity
- ✓ Evaluation ought to be purposeful, planned and systematic

Any available post training data should be converted into monetary values to establish **Return on Investment (ROI)**, which advocates five useful steps for converting hard tangible data and soft data into monetary values:

- ✓ Focus on single unit of improvement in output/quality/time
- ✓ Determine a value for each data unit
- ✓ Calculate the change in output performance directly attributable to training
- ✓ Obtain the annual amount of monetary value of the change in performance
- ✓ Determine the annual value (performance change X unit value)

Characteristics of useful HRIS Information

The primary demand on any system must be that it provides usable information to key decision makers to achieve both administrative and strategic advantages.

Characteristics of useful HRIS :

- ✚ Presented in user friendly manner/easy to use
- ✚ Meaningful and appropriate
- ✚ Effective in decision making process to support overall business strategy
- ✚ Customisable
- ✚ Integrated with other HR systems and functions
- ✚ Offers fully digital experience
- ✚ Provides access to all users
- ✚ Integrated with social media platforms
- ✚ Available as SaaS (Software as a Service)

Name the five key issues that could enhance the effectiveness of a Learning Management System (LMS)

Capital investments in HRIS T&D applications alone will not necessarily improve LT&D in the organisation, nor will they lead to knowledge creation of organisation learning Any HRIS project requires careful planning and ample resources, time, money and expertise. Five key issues that could enhance effectiveness of a LMS :

- ✚ Employee development should be linked to learning delivery
- ✚ Learning activities ought to be aligned with business objectives
- ✚ Regulatory compliance must be maintained
- ✚ Learning effectiveness must be measured throughout the organization
- ✚ An integrated approach to employee on-boarding should be established

What is the systems model of T&D? Discuss how HRIS T&D applications can assist in carrying out the steps in the systems model.

One of the most frequently cited models is the systems or systematic approach. This formal or planned approach to workforce T&D consists of four interrelated and connected steps, which are illustrated in the prescribed book. The steps are arranged as a cycle to highlight the cyclical and continuous nature of the process in much the same way as employee development is an ongoing activity. Thus, the model is applicable to both T&D. Its simplicity and clear structure make it ideally suited in the context of HRIS applications in this area.

✚ Identifying T&D needs.

- ✓ The first step of the systems model is to identify the learning and development needs of organisational members.
- ✓ The training needs analysis (TNA) is the key activity of the systematic approach and essentially serves to identify any discrepancies, the T&D “gap”, between existing KSAs and those required in the present and in the future.
- ✓ Because of the crucial importance and comprehensive nature of the TNA, many organisations employ an HRIS to collect, store and analyse training needs data, thus ensuring that resulting information is both timely and accurate.
- ✓ Data sources range from business objectives and statistics at organisational level, to job descriptions and output levels at job level, to staff appraisals, biographical data and individual training records at personal level.

✚ Developing T&D initiatives.

- ✓ The second stage of the cycle focuses on the development of T&D initiatives, objectives and methods, which should be capable of meeting the three levels of needs identified during the first phase, the TNA.
- ✓ The aim of the HRIS in this context is to compare employee training data with subsequent performance data.
- ✓ Successful learning events must achieve a “best fit” between the content of what is to be learnt, the media through which content is delivered and the method used to facilitate learning.

✚ Implementing T&D.

- ✓ The third stage of the systems model of T&D involves the implementation of training.
- ✓ To ensure that the implementation phase runs smoothly, organisations ought to formulate an implementation plan, which should specify the resources required, how training should be carried out, who should facilitate training and the period within which training should occur.

✚ Evaluating T&D.

- ✓ To assess whether a particular training initiative, method or solution has met the training needs and objectives of the firm and whether transfer of learning has taken place, organisations must evaluate their T&D efforts.

- ✓ An HRIS can be invaluable in supporting this process as it contains a vast amount of data relating to training and performance, which can form the basis of any T&D decision-making.

How can HRIS T&D applications help firms foster organisational learning?

HRIS T&D applications play a fundamental role in fostering organisational learning. These applications provide organisations with a mechanism to assess, measure, facilitate, manage and record systematically the LT&D of each employee and thus the entire organisation

Administration

The use of administration systems is restricted to transaction processes, including calculation of training costs, basic employee and T&D records and administrative permissions (Who has data access, who can enter data)

Talent management

Human Capital Management system is an integrated software suite that can comprise a range of applications such as KSA assessment, performance reviews and appraisals, recruiting, succession planning, career planning.

It allows employees to create personal electronic talent profiles and organisations can use this data to generate information on the talent profile of the organisation.

Training management

Including learning content management can be used to store and develop T&D content such as multimedia files, templates for training courses or assignments. It may also be employed to track training attendance and completion records of for quality assurance purposes

Discuss the different types of HRIS T&D applications and their reporting and decision-support capabilities

The degree to which LMS can assist strategic decision making may be assessed using decision making support system (DSS) classification. Each category offers more extensive reporting and analytical capabilities that support strategic T&D decision making.

Their model consists of five levels : MIS, DSS, GDSS, ES and AI

- ✓ **Management Information System** – can be used to support T&D decision making at operational, functional level of the organisation
- ✓ **Decision Support System and Group decision support system** – designed to facilitate overall mission and objectives of an organisation. Based on ‘what if’ scenarios
- ✓ **Expert Systems** consist of knowledgebase, a decision making function, and an interface, they replicate the decision making capabilities of human experts e.g. intelligent tutoring system (ITS)
- ✓ **Expert Systems** and **Artificial Intelligence** aid strategic T&D decision making at the board level of the organisation

What issues might arise during and as a result of the implementation of HRIS T&D application?

Many HRIS T&D projects fail to meet the expectations of key decision-makers. There are many reasons for this.

- ✓ Some firms introduce a new TMS only because competitors have done likewise, without having the necessary expertise to operate the system.
- ✓ Frequently, decision-makers have false expectations of ROI or apply training metrics that merely focus on cost savings and fail to take note of intangible gains derived from T&D.
- ✓ In other cases, the HRIS T&D application strategy is not aligned with training needs and the overall T&D, HR and business strategies.
- ✓ Few organisations involve employees during the implementation stage of the HRIS, which can lead to underutilisation and dissatisfaction with the system.
- ✓ For a variety of reasons, many employees never actually complete e-learning programmes that they are enrolled in. Sometimes, disenchantment is simply the result of poor planning and resulting incompatibility of various disjointed HR systems.
- ✓ An increasing number of organisations purchase one or more pieces of TMS from a single vendor to prevent these problems

Study Unit 14

Performance management, compensation, benefits, payroll and the HRIS

	Performance management	Compensation	Benefits	Payroll
Overview	<p>Internal to organisation with data that are linked to other systems like rewards. PM are used as working tools by managers to Motivate employees to performed well</p> <p>PM management consist of 3 parts. Performance planning, Performance observation and corrective/ positive feedback</p>	<p>Complex topic, and is it seen as equitable or inequitable to employees. Primary outcome for most employees. Different components build around job evaluation and market benchmarking</p>	<p>Pension plans, saving plans, retirement plans that employee have continue income after retirement. WCA, unemployment insurance, disability insurance and life insurance that if they cannot work they have an income till they can work again</p> <p>Medical and health benefits</p> <p>Paid time off like vacations, holidays, personal days family leave.</p> <p>Miscellaneous benefits like dependant care, flexible working hours, memberships</p>	<p>Transactional process through which compensation is transferred to employees and federal, state and local income and payroll taxes.</p> <p>Payroll usually part of accounting system and is thus critical that interface between HRIS and payroll software work flawlessly.</p>
Typical data inputs	<p>Individual, organisational (goals, strategies and business plans) and job data(key tasks , responsibilities and outcomes)</p> <p>Rewards, staffing, training and development and career development.</p> <p>Data specific to individual hours worked, overtime, leave taken</p>	<p>Internal – Information about jobs(description and specification, people(performance and salary history), organisational units(salary budget and job evaluation.</p> <p>external – market survey data and info on rewards practices.</p> <p>generated data - Combine internal and external data and used to generate job evaluation, salary structures, merit matrices and reward guidelines</p>	<p>HRIS benefit modules with different purposes.</p> <p>Health insurance – people covered, coverage desired and cost limitations.</p> <p>Internal management of benefits programmes to track usage, employee choices and costs.</p> <p>Employee input about enrolment and over coverage choices.</p>	<p>Compensation data, benefits data, and other payroll addition data and deductions.</p> <p>Time and attendance data</p>

Typical reports	<p>NB reports are performance contract and annual summary appraisal.</p> <p>Other report are performance data by unit, comparing unit performance with output.</p> <p>Comparing reports of employee efforts towards their rewards.</p> <p>Leave reports</p>	<p>Budget reports to managers showing actual compensation cost comparison to projected costs.</p> <p>Annual compensation report per employee.</p> <p>Incentive reports</p>	<p>Annual benefit report required for tax qualified plans</p>	<p>Standard payroll reports: employees worked for period.</p> <p>Deducted amounts for various purposes</p> <p>Gross pay reports</p> <p>Reports for federal agencies and state year to date reports</p>
Data outflows	<p>PM data used in HRM decisions and flow automatically in some processes available for others.</p> <p>compensation reports, CTC reports, training and development planning and forecast planning or manpower.</p>	<p>Dataoutflow to payroll</p> <p>Data send to federal, state and local agencies,incl taxing agencies, labour department and other units tracking wage data.</p>	<p>Data generated by benefit programs to be transferred to payroll and accounting internally. Data send externally to benefits providers, outsourced benefit administrators and federal, state and local agencies</p>	<p>Accounting</p> <p>Federal, state and local agencies</p> <p>Benefits outsourcing firms</p> <p>individual benefit program providers.</p>
Decision support	<p>The whole PM system.</p> <p>Performance criteria, measures, standards, goal setting and recent performance documentation help managers to keep track of how each report is doing and what interventions need to be made.</p>	<p>How much to pay individual to be seen as fair employee decision support systems dealing with job evaluation, market data and pricing, salary structure and incentive programmes.</p>	<p>Reports trigger the need to make changes to comply with federal, state and local requirement</p>	<p>Not usually used by line managers or HR dept for decision making more for Audit purposes.</p>

Discuss the performance management cycle and the role of HRIS in PM design, decision-making and administration

Performance management are internal to organisation but data must be linked to several other systems, including reward, staffing, training and development and career development

PM is connected to other areas such as recruitment, staff retention and workforce planning, to mention just a few Different organisations will do performance appraisals at different intervals, but the crux is that the whole performance period should be taken into consideration and proper documentation and records should exist of the full period. Supervisors and managers responsible for evaluating employees' performance should be careful that they are not

biased. They must ensure that they evaluate the actual work done by each individual based on their performance agreement over the full period.

Proper recordkeeping during the PM period is vital. In most cases the HRIS can be very useful during this process. Feedback must be provided on both positive aspects as well as those that need improvement. Depending on the type of HRIS used, various reports can be generated. If proper records are kept, organisations can use this data to analyse trends in performance that they can manage to their advantage. From all the data gathered, various HRM decisions can be made. The data may also have an impact on HR-related matters such as salary increases and/or promotions and HR planning. The data can also be used to support decisions such as actions to be taken to improve performance in future. Proper records can be kept to ensure that all performance appraisals have been conducted and signed off. The information can be used for performance improvement plans and progress tracking. See more information about the product of one vendor in this link:

explain the typical compensation practices and the role of the HRIS in compensation design, decision-making and administration

Compensation is connected to other areas such as performance and market benchmarks. Additional compensation such as rewards and incentives.

There are various sources of the data input. These are used to produce reports. Limited people have access to these reports, obviously because of the sensitivity of the information. One of the main uses of the data is for payroll purposes. Remember the link that you opened just before you compiled the mind map? It is very important to ensure that you pay your employees fairly in relation to their inputs/productivity or specific competencies.

Compensation-related information is normally available to employees via the self-service function. Employees have limited access to limited information and they are normally able to only view the information. Managers have different roles and they should be able to do different things with the data, so they have other functionalities on the system.

What you need to remember is that the compensation system should make provision to reward and remunerate employees for what they contribute to the organisation. You cannot use one "recipe" for all employees, as different people have different roles. Take an organisation that sells a product. Do you think it would be wise to use the same type of compensation system and structure for the sales team, the receptionist and admin clerks? You certainly can, provided the system is flexible enough to deal with each type of employee according to their own compensation rules, processes, etc.

Study Unit 15

HRIS and international HRM

Explain the differences between domestic and international HRM

Global market trends important field in HRMS, influence of national culture increase the need for international HRIS, and raised important issues for HRMS.

Conflict between the culture of the country and culture of the organisation and HR environment may frequently exist. The culture differences in countries may influence the HR programs.

Difference in national HRM and International IHRM in multinational enterprises (MNE's) and additional issues involved in IHRM.

External environment had important impact on IHRM that influence the design, development implementation and HRIS.

4 factors of the increase globalisation of business.

International cooperation

Using existing core competencies to expand operations into foreign markets

Focus on learning and sharing

Parent country is cooperate headquarters with operations in more than one host country

HR issues: legal systems & country's national culture

Multinational cooperation

Operate in multiple countries as fully autonomous units

Hire expatriates from other countries than parent country

HR role highly decentralised and issues similar to international corporations

Produce and distribute identical products and service worldwide.

Global cooperation

Similar to international cooperation

Centralised HR functions focused on efficiency, but operations are integrated through centralised home office.

Emphasis flexibility and mass customisation to meet the needs of different customer groups worldwide

Manage HR through a multicountry HRM system – HR decision made from global perspective, people in company from all over the world, various cultures and backgrounds should be included in the decision making and planning.

Transnational cooperation

HR approach is local responsibility to its country location, focus on being efficient and emphasising learning and sharing.

Issues for going global

- Understand the power of people
- Technical issues
- Cultural clashes
- Privacy law obstacles

Aspect	Domestic HRM	International HRM (IHRM)
Labour legislation	One labour market the the HR management is much easier. Only have to follow one law	More liberal privacy laws, must be up to date with all countries labour legislation.
Types of employees	Similar cultures and beliefs. One type of employee	More diverse in cultures. 3 types of employees Parent country nationals, host country nationals and third country nationals
Talent management process	Only in host country	PCNs, HCNs, TCNs. Multifaced talent management process, different countries have different level of education and experience
Formal education	Little in 3 rd world countries, greater training and preparation if organisation wants to promote them.	
Experience	Less experience	

Compensation levels and policies	Higher salaries and more benefits demands	
Complexity of HR management	simple	More complex
HR activities	Less activities	More activities, relationship with host governments, different in labor laws, guidelines in host country, administrative details of employees, international taxation, relocation, Orientation and language training.
Perspective		Broader worldview perspective in dealing with PCNs, HCNs, and TCNs. Difference in culture, ethics and practices as in home countries.
Involvement in personal lives of employees	Less involvement	More involvement in lives of employees in areas of education, taxations, banking services, visas and housing arrangements
Emphasis of HR programmes		Compensation, managerial style and tolerance of employee diversity. Different languages
Risk exposure		More risk like terrorist threats, environment disasters and war. Prepared for evacuations of employees.
External influences		Broader influence, government regulations and influence, technology level, societal concerns, labor market.

Describe the different types of employees who work in multinational enterprises (MNEs)

Mix of HCNs, TCNs and PCN's create complexities for the Managing in the global environment, especially expatriate managers.

Diversity of workforce depend on the type of international business operations.

Shifting from an expatriate focused to an global workforce.

Manage differences of workforce to insure that diverse workforce can work together to reach their common goals.

Manage differences in education and languages of their staff members and provide training on cultural defences.

Economic system important as it has direct impact on compensation of these employees.

- **Education**

Education of workforce varies a lot. Educational differences require managers to provide a supportive work environment for their employees. Support in training of cultural differences, verbal and non verbal communication and specific skill set important to particular employees job.

- **Political and legal** systems in host country affect type of hr practices.

Laws and regulations of host country determined societal norms

- **Economic system**

Affects human capital primarily through its compensation system.

Countries with strong educational systems (Germany, Japan and Switserland) have good wages.

Countries with poor educational system (3rd world countries, Sri lanka, Afghanistan) provide substantially lower compensation to their workforce.

Equity issues may arise when workforce consist of different countries.

HR PROGRAMS IN GLOBAL ORGANISATIONS PAGE 504

Aspect	Summary
International staffing	Determine if people should be selected from home country, host country or third country. Global organisation make staffing important part of IHRM. Each employee group provide different advantage to organisation. Companies can utilised an integrated management system such people soft, talent soft or success factors to leverage the untapped talent pool and reduce salary gap

	between male and female employees.
Selecting global managers: managing expatriates	Difficult to select managers from parent country for assignments in host country. Selecting expatriates from either HCNs, PCNs or TCNs. Reason that expat can move from country to country for MNE. Expatriate to designated global managers, regardless of home and country.
The cultural environment of countries	<p>NB aspect for expat performance is the expat relationship with local government and people of country. Expatriates may experience culture shock as they move from country to country for MNE. Important task of IHRM department is to gather information about the culture of the country to estimate culture differences between home countries and the country they assigned to. HRIS serve as repository of information like profiles of countries. Success of international business activity are impact by knowledge and competencies in working in country and company and area of business that are most impact by culture differences is HR function.</p> <p><u>5 distinct culture factors that differ countries from each other:</u></p> <ol style="list-style-type: none"> 1. Education and human capital 2. Values and ideologies 3. Social structure 4. Religious belief 5. Communication. <p>These information can be store electronically on HRIS and maintain by HRMS department to create profiles of cultural environment of country</p> <p>Country culture will have effect on all the activities and programs Of IHRM function, including selection, training, compensation and performance management.</p>
Expatriate failure and causes	<p>Return of expatriate to home country before the period of assignment has been completed and represent error of selection in decision. Expatriate failure high cost to MNE that are both direct and indirect.</p> <p>Direct cost: actual money spend on selecting, training, relocating cost and salary.</p> <p>Indirect cost can be higher than direct cost and are harder to quantify, can include loss of market share in country, negative reactions from host country government and possible negative effect on local employee morale.</p> <p>expatriate failure can lead a local host government that in future only HCN fill the position.</p> <p>Returning expatriate may experience indirect cost in terms of personal failure, loss of respect by peers and negative influences on future promotions.</p> <p>Mayor factor affecting expatriate failure is the inability to adjust to the new situation and culture by expatriate and or they family.</p> <p>Problems identify:</p> <ul style="list-style-type: none"> spouse partner dissatisfaction Inability to adapt difficulties with family adjustment in locations Difficulties associated with different management styles Culture and language difficulties Issues associated with accompanying partners career development.
Selection criteria and procedures for expatriates	IHRMS professional must remember that selection process is exchange between organisation and employee.. Expatriate families must be involved in the exchange
Training & development of	All managers in MNE are considered as expatriates as their assignment and development mean they will move from country to country. Also include non-managerial employees as PCNs, HCNs

expatriates	<p>and TCNs. Result of training in terms of expatriate success or failure are also stored in HRIS. And be used for future selection of expatriate.</p> <p>Corporate IHRM are responsible for all training, responsibility are usually decentralised by delegating it to MNE's subsidiaries.</p> <p>Cross culture training for non-managerial employees who are not HCNs will be necessary, example language training</p>
Purpose of expatriate training	<p>Dual purpose to inform and motivate employees.</p> <p>Employees learning a new skill and encourage to be more productive and with improve skill happier in job.</p> <p>1st specific purpose of expatriate training is to supplement the selection process and assist expatriate and family in adjusting to new situation.</p> <p>Selection of expatriate is never perfect. Training program content for expatriate is based on both selection criteria identifying above and causes of expatriate failure.</p> <p>2nd purpose of expatriate training is economic. Expatriate bring both managerial and technical expertise to the subsidiary when there are no HCNs to fill the position. Expatriate assignment is used by MNEs as career development process for managers.</p> <p>MNE has significant economic reasons using expatriates. When one calculate the potential of direct and indirect cost of expatriate failure, the amount of investment increases. IRMS are another element used to protect investment.</p>
Pre departure training	<p>Do not focus on technical ability of expatriate, unless new technical or managerial skills necessary for assignment.</p> <p>Mayor cause of expatriate failure is the dissatisfaction or lack of adjustment by employee spouse, partner or family and must be included in pre departure training.</p> <p>It includes training in culture awareness, language and practical matters around daily living in new culture.</p> <p>Preliminary visits are also included in pre departure training.</p> <p>Repatriation is another element in pre departure training that is highly recommended.</p> <p>Formal repatriation is process occurs as expatriate and family return to their homeland and should begin before the person leaves their home country.</p> <p>Problem of losing expatriates during repatriation process has been well documented in the literature.</p> <p>Most companies considered repatriation as part of career development program of the MNE.</p> <p>Pre depatriate training both informs and attracts, which are the 2 purposes of training. Table15.1</p>
Transfer of training	<p>Several models been proposed to provide guideline on pre departure training programmes. Pre departure training should not be viewed as one size fit all, but should be designed to be contingent on other factors in the expatriate assignment.</p> <p>2 factors most affect predeparture training design are"</p> <ol style="list-style-type: none"> 1. The dissimilarity expatriate native country and host culture – low to High- 2. Expected amount interaction between expatriate and members of host country – low to high- <p>Based on factors of these 2 factors can vary on 3 dimensions:</p> <ol style="list-style-type: none"> 1. Training methods used 2. level of training rigor 3. duration of training program <p>If both the dissimilarity between expatriate native country and host culture and the expected amount of interaction between expatriate and members of host country are high, then the pre departure training should be rigorous and the length of training should be one or two months.</p>

	<p>Training methods would then attempt to immerse the expatriate in the host country culture through assessment centres, simulations, sensitivity training and extensive language training. HRIS to analyse the success or failure of these training programmes will enable the MNE to make more effective decisions about expatriates and their training in the future.</p>
Performance appraisal in MNEs	<p>Important process for documenting the performance of employees, determining area of development, deciding on pay increases and promotional opportunities as well as giving the employee the opportunity to express their view.</p> <p>Type of performances appraisal depend on the specific requirements and personal attributes of person being appraised</p>
Appraising expatriate performance	<p>Who should conduct the appraisal and what performance criteria are specific to the expatriate situation. Most of the time the performance appraisal is appraised by their supervisors.</p> <p>Expatriate managers are geographically distance from their parent country supervisors and the supervisors in parent country could not observe day to day activities of these employees.</p> <p>Managers of expatriates based their evaluations on the person on their objective criteria used for employees in similar positions in parent country.</p>
Which performance criteria should be appraised	<p>Important to evaluate the specific job related competencies of the expatriate manager. It is more complex reason there is qualities unrelated to their jobs that they need to possess to perform their roles effectively. Expatriate should be assessed on other criteria, such as cross cultural interpersonal skills, sensitivity to differences in norms, laws and cultures of various countries, and the ability to adapt to uncertain and unpredictable circumstances. Expatriates face new experiences that may be vastly different from their experiences in their home countries.</p> <p>Important that HR department of parent country recognize the impact of these aspects of the expatriates experience in their performance appraisal.</p>
Appraising HCN and TCN performance	<p>Appraising the performance of HCN and TCN is somewhat different from appraising the performance of domestic employees in the United states.</p> <p>Important for PCN to be sensitive of culture differences when appraising performance. Example in Japan by discussing the negative attributes of employee may be taken as insult and because that employee distrusts the manager.</p> <p>To deal with differences the organisation should employ HCN to assist in the development and administration of performance appraisals. HCN know what type of information are cultural sensitive and are less likely to be perceived as outsiders. This perception is important since performance evaluations are used to determine pay increases and promotional decisions, training opportunities and dismissal decisions. It also help to identify individual performances problems that can be solved by training.</p>
Managing international compensation pg514	<p>Management of compensation in MNE are complex but critically important function of the IHRM department.</p> <p>Complexity because of mix of HCN, TCN and PCNs within one country and handling wages, salaries and benefits that differ across companies.</p> <p>There is differences in taxation, labour laws affecting compensation and benefits, currency fluctuations and cost of living differences between and within countries where MNE is present.</p>
Objectives of international compensation policy	<p>Are similar to those in domestic company and compensation administration is closely related to the strategy of the firm. If organisation forecast increased sale in the next year and determined a need for new employees with specialized skills, it may be necessary to pay above the labor market going salary rate to get the best individuals.</p> <p>As in a domestic firm the first objective for an MNE is to align compensation administration with the strategy of the firm. This alignment is much more complex for MNE.</p>

	<p>Require MNE to have accurate and updated labor market compensation info for all the countries it has a presence.</p> <p>Requirements are one of the most powerful advantages of HRIS with labor market information for the IHRM department. Labour market statistics can be stored in HRIS.</p> <p>Reports generate from HRIS would be much more complex in an MNE since multiple countries would be involved.</p> <p>2nd objective of compensation administration in an MNE as an domestic firm is to affect employee motivation in several ways. It must motivate employees to join the firm, be productive while members of the firm and stay with the firm.</p> <p>Employee motivation is an important objective of an MNE international compensation policy. It is complicated because multiple cultures are involved. Money have different motivational meaning for different cultures, the meaningfulness of the work may be very important in some cultures, where the opportunity of promotion would be most important in other cultures.</p> <p>3rd and final objective for MNE compensation policy is that it must perceived as fair by the employees. Fairness of equity are powerfull motivator of human behaviour and it may be the most important objective of an international compensation policy.</p> <p>The mix of employees from different companies (PCN, HCN and TCN) perceived or real differences in wages or benefits between groups of employees could lead to considerable dissatisfaction among the less privileged groups and consequently affect the retention of employees.</p>
<p>Components of international compensation</p>	<p>Very similar than those of domestic program. Mayor components are a base salary and a set of benefits. Extra pay premiums would be much more complex for an MNE. Example there may be a foreign service or hardship premium for expatriates. Other premiums could be based on the risk level of the assignment in the country. Most domestic companies give cost of living allowances (COLAS) based on where one work. MNE must also use in and between country COLAS to have an equitable compensation system. These considerations along with other compensations issues discussed, make managing the compensation system an nightmare for the IHMS department.</p>
<p>Two approaches to international compensation</p>	<p>Going rate (host country approach, the base salary for international employees is tied to the salary levels in the host country. Example: Expatriate would earn pay that is comparable with the salaries of employees in the host country. Compensation level of employees would depend on wage surveys of local nationals (HCNs), expatriates of same nationality, and expatriate of all nationalities. Low pay countries the base pay and benefits could be supplemented with additional payments.</p> <p>Balance sheet approach goal is the maintenance of a home-country living standard plus a financial inducement for accepting an international assignment. The home country pay and benefits are the foundation of this approach: adjustments to home package to balance additional expenditure in the host country and financial incentive are added to make the package attractive.</p> <p>This approach appear to be more attractive to expatriate, it has a disadvantage for IHRM department as it are very complex to administer. Software application and reports from an HRIS can assist in untangling these objectives and probably perceived inequities, but IHRM professionals and line managers are still required to explain these program to employees.</p> <p>Summary: compensation is difficult and complex of the HR programs to implement and administer in an MNE. It is critically important to the equity exchange or psychological contract between company and its employees and their immediate supervisors in a domestic enterprise or an MNE regarding compensation have the greatest impact on motivation of the employees.</p>

You will have to provide support to all the groups, which places an additional burden on HR. All employees will have to be properly compensated and the organisation will have to comply with all legal requirements in terms of deductions, etc. This will affect how compensation is managed. If someone works abroad, additional compensation and expenses may be incurred, e.g. relocation, housing for the family, schools for the children, possible employment for the spouse

HRIS applications in IHRM

Business becomes more global and it is important to give attention to the international aspects
Specific HRIS applications for MNE, in concert with two software platforms, Oracle peoplesoft and SAP.
These two platforms have all HR applications needed for a global corporation.

Problems and potential solutions:

1. Organisational structure for Effectiveness

Most effective structure for the operation of an HRIS in an MNE has been a moving target. Management of an MNE has to think global and act local. This applies to the total Management process of an MNE, its strategy, operations, finance, marketing and HR

2. IHRM –HRIS administrative issues

- Service orientated Architecture (SOA)

Self servicing is crucial

SOA is a paradigm for organising and utilising distributed capabilities that may be under the control of different ownership domains. Providing a uniform means to offer, discover, interact with and use capabilities to produce desired business effects. Focused on providing a service for a function that is well defined, self-contained and context and platform independent, a function that adds value to the organisation business purpose rather than simply focused on technology itself.

SOA is an collection of internal and external services that can communicate with each other by point to point data exchange or through coordination among different services to achieve a business purpose. SOA can combine multiple business functions from different organisational departments for example; production, marketing and HR that have similar electronic transactions into a central procession unit.

SOA were created when discover that the different departments of organisation were storing the same basic information on employees and was a way to use the IT capabilities of organisation more efficiently.

- Outsourcing, Offshoring and Insourcing

MNE were first organisation to outsource many of their jobs that required low level of skills.

The internet for outsourcing HR programs became a reality like recruiting and selection and or Payroll

Most of these approaches failed for variety of reasons, like privacy and confidentiality of employees personal data and companies outsourced or offshored HR functions that were a critical part of the primary business of the organisation for example talent Management.

Reason many companies reverted to insourcing certain business processes, particularly those in HR dept.

Outsourcing, offshoring and insourcing – in the past many organisations outsourced some HR functions, but data privacy is an issue and core HR functions cannot be outsourced

- Data Privacy and Security

Countries in the world have legislation governing the manner in which personal information can be collected and handled. Regarding privacy and security in MNE suggestions follow to adopting a global approach to employee privacy issues, and building internal culture to respect one's privacy. This is the best course of action open to a multinational corporation that wants to act as a global employer in the current regulatory environment surrounding the collection and use of personal information.

Data privacy and security – here organisations are faced with the challenge to adhere not only to local legislation and requirements in terms of security and privacy, but now also those of the different countries that they operate in.

3. HRIS applications in MNE

Most HRIS developed for domestic company can be used for MNE's. Some modification is sometimes necessary due to the complexity of the database in an MNE. Access to data from any physical location in world is important and can arise two issues when data are shared across wide geographically locations.

1. Manage day and time of transaction
2. Determining where to store the various components of the business application, DBMS and database.

Computer networks are created that provide instant access to these operational data, allowing real time decision making capabilities regardless of one's physical location.

- ✚ HRIS applications in MNEs – many of the modules used for domestic organisations can be used in global organisations, but the nature of the data to be collected and kept is different and more complex. The problem that arises is that data must now be shared across locations in various parts of the world and it must still be easily accessible. The global organisations thus have to have an infrastructure that can accommodate this. The prescribed book includes the example of compensation systems. You could also think about legislative matters, recruitment and selection, and legislation and customs that have an impact on this. The fact is that the data included in the HRIS must be accurate, otherwise comparisons cannot be made or reports compiled.

Study Unit 16

HRIS privacy and security

Employee Privacy – Degree to which individuals have control over storage collection, access and release of personal data

✚ **Unauthorised access to information**

- ✓ Concern for ID theft, primary consequence of breach or HRIS data
- ✓ Employees perceive HRIS as an invasive of privacy when they are unable to control access to their personal data and info was access by users outside the organisation.
- ✓ Supervisors are able to access info in employee records.
- ✓ Same data are used for employment rather than HR planning decision.
- ✓ Employees did not have the ability to check the accuracy of data before decisions are made.
- ✓ Security practise to limit the degree to which unauthorised individuals have access to employee data

✚ **Unauthorised disclosure of information**

- ✓ Disclosure of employment data to creditors, info to landlords and charitable organisations.
- ✓ Employers do not inform the applicant or employees when info about them are disclosed to outside organisations.
- ✓ Disclosure of data may result in negative outcome if data collected for one purpose are used for other purpose.
- ✓ Organisation should develop policies that limit the disclosure of employee info.

✚ **Problems with data accuracy**

- ✓ HRIS may contain inaccurate or outdated info that individuals are not aware of.
- ✓ Inaccuracy in background data may result in loss of job opportunities and unfairly denied job outcomes and opportunities.

✚ **Lack of privacy protection policies**

- ✓ Companies not established fair information management policies to control the use and release of employee information.

✚ **Use of data on social network website(SNW)**

- ✓ Employee data collected from social networks of applicant lifestyle, family, friend, religion.
- ✓ Individual perceived that data in these system may unfairly stigmata them and result in loss of job opportunities.
- ✓ Collection data from SNW is not illegal

✚ **Stigmatisation problems**

- ✓ Unease to use HRIS, they feel that networked data may lead to them to be stigmatized or discredit in employment process.
- ✓ Below average performance rating in early career that are stored may negatively affect subsequent decisions about employee
- ✓ Employee advancement and career development opportunity may be negatively affected by data that have no bearing on his or her present day performance

- ❖ In many instances proper access control and policies may eliminate these issues, but a proactive approach from HR is a necessity.
- ❖ Furthermore, the HRIS should not allow any person to log onto the system without a password. They could perhaps also have an automatic timeout function.
- ❖ If the HRIS is open and idle for a particular period, the system can automatically log you out or then require a password to be re-entered before the system is available again.
- ❖ Some organisations even include specific information in the policies about securing laptops with cables, etc. With the changes in technology, this becomes an even bigger challenge as some organisations use apps that are available via Apple devices, smartphones or Android devices.
- ❖ Many people access the systems via these methods, which potentially poses additional security risks and points of entry.
- ❖ But beware - if you ask your employee for their personal information, you have a responsibility to maintain those records, i.e. take reasonable, practical steps to ensure that the information is complete, accurate, not misleading and remains updated where necessary.

Discuss the importance of information security and privacy in today's technology-intensive and information-driven economy

- ✦ Important because high degree of automation in these systems and the wealth of private employee data being stored.
- ✦ Information security defined as the protection afforded to an automate information system in order to attain the applicable objectives of preserving the confidentiality, integrity and availability of information system resources.
- ✦ The complexity of networked environment in which HR data is captured, stored and utilized means that personnel transaction and information processing are increasingly more vulnerable to security threats and risks than ever before.
- ✦ McCumber cube provide a graphical representation of the architectural approach widely used in information security and is more granular than the CIA classification. It examines not only the characteristics of the information to be protected, but also context of information state.

Discuss the important components of information security

- ✦ **Desired information goals to ensure that data is confidential**, not been manipulated and is available to those who are authorized access.
 - ✓ Confidentiality
 - ✓ Integrity both data and system
 - ✓ Availability system works and service is provided promptly to those who are authorized to use them
- ✦ **State of information to identifying the state the data is currently residing.**
 - ✓ Storage is an inactive state of data that is waiting to be accessed.
 - ✓ Processing is a state data is actively examined and modified
 - ✓ Transmission is a state in which data is moving
- ✦ **Countermeasures** – identify mechanisms that can be used to protect data.
 - ✓ Technology for hardware and software to limit threats to data
 - ✓ Policy and practices for procedures that mitigate risk or eliminate the possibility of threats
 - ✓ Human factors revolve giving each consumer of data the knowledge of how to identify and handle threats.

Describe the implications of the POPI Act for an HRIS in South Africa

- ✦ **Summary of the security threats.**
- ✦ **Threat Source**
 - ✓ **Human Error** – HRIS not well designed, developed, maintained, employees not adequately training and threat of security breaches. Incorrect data entered or data deleted by accident. Errors on the part of an employee can potentially expose private employees or customer data.
 - ✓ **Disgruntled employees and ex-employees** –information can be damaged by disgruntled employees, disgruntled employees and ex employees are dangerous because of their extensive knowledge of system and the credentials to access sensitive parts of systems, know how to avoid detection
 - ✓ **Other internal attackers** – like contract workers who work for a short period, they gain temporary access to various critical areas of an organisation the creates risks
 - ✓ **External hackers** –penetration of organisational computer systems by hackers and is defined as someone who accesses computer or network unlawfully, when hackers bypass the network security they are free to damage, manipulate or steal data.
 - ✓ **Natural disasters** – like floods, earthquakes, fire and lightning that destroy or disrupt computing facilities and information flow
- ✦ **Threat types**
 - ✓ **Misuse of computer systems** - employees unauthorised access to or use of information when it is confidential and sensitive
 - ✓ **Extortion** – perpetrator tries to obtain monetary benefit of other goods or threatening to take action that would e against the victims interest
 - ✓ **Theft** – value of information can be higher than the price of hardware or software
 - ✓ **Computer based fraud** – data processing or data entry routines are modified
 - ✓ **Cyber terrorism** - intention to intimidate or cause physical, real world harm or sever disruption of a system infrastructure by hacking and stealing or deleting data and information

- ✓ **Phishing** – victims receive email that appears to have come from an authentic source, the appearance of message and website often fool victims into giving out confidential information
- ✓ **Denial of service** – service unavailable to legitimate users by flooding it with attach packets, server hosting service unable to handle large number of requests and shutting down

✚ **Software threats**

- ✓ **Viruses** – a computer virus is a type of malware which works by inserting a copy of itself into a computer or device and becomes part of another program. It attaches itself to files by executing infected files, when successful it alters data, erases or damages data, creates a nuisance or inflicts other damage
- ✓ **Worms** – similar to viruses they replicate themselves, it can spread by itself without attaching to other files
- ✓ **Spyware** – software installed that gathers information about user activities on the web and transmits it to third parties such as advertisers or attackers, potential privacy invasion, appropriation of personal information and interference with the users of computer operation
- ✓ **Blended threats** – propagate both as viruses and worms, also post themselves on websites for people to download unwittingly
- ✓ **Trojan** - type of malware that hides inside email attachments or files and infects a user's computer when attachment is opened

- ❖ If human error is a problem, perhaps training employees could be a solution?
- ❖ Other solutions could be to enter data from drop down lists which contain only the correct entries.
- ❖ If hackers or viruses are a problem, then surely the security of the system and network needs attention. This becomes an IT problem, but HR should ensure that a watertight solution is delivered.
- ❖ A proper backup system is a necessity and not a luxury.

✚ **Information policy and Management**

Important that organisations should have policies and procedures in place to protect data. One way to decrease individual's perception of invasion of privacy is to established fair information management policies for controlling data in HRIS.

✚ **Fair information policies**

There is legislation restricting the collection, storage, use and dissemination of employee information privacy in public sector, but nothing for employee information privacy in private sector organisations. Every country takes a different perspective on protecting employee information privacy and organisation needs to be familiar with all the applicable laws in each country in which they operate.

Page 546 recommendations for policy privacy and protection with recommendations

✚ **Effective information security policies:**

2nd way to protect employee data is through security practices – security is a process and not a product. for effective implementation of security standards such ISO/IEC 27000 can be followed.

Several best practices has been proposed to ensure that employee data is secured and employee privacy is protected:

1. Adopt a comprehensive information security and privacy policy
2. Store sensitive personal data in secure HRIS and provide appropriate encryption
3. Dispose of documents properly or restore persistent storage equipment
4. Build document destruction capabilities into the office infrastructure
5. Implement and continuously update technical (firewalls, antivirus etc) and nontechnical (security education, training and awareness) measures

Conduct privacy "walk through" and make spot checks on proper information handling.

Study Unit 17

The future of HRIS and emerging trends in HR technology

Future trends in HRM

Any factor can impact the trend within HR (economy, politics, law etc). 5 trends that will impact HR

+ Healthcare questions

- ✓ Healthcare costs are growing concern
- ✓ Healthcare identified as number one issue facing organisation
- ✓ Organisation's are turning to wellness initiatives and reconsidering different health plans
- ✓ Implementation of health plans are an issue especially in the USA with the implementation of new laws

+ Business intelligence

- ✓ Business have to prove that the policies and practices add value (ROI [chapter 8](#))
- ✓ Turning to business intelligence to support complex matrix ([chapter 7](#))
- ✓ The importance of more complex reporting capabilities (quality of leading information give the leading edge and differences within Organisation's)
- ✓ Importance of metrics: 3 key predictors
 - ❖ Better measure and assess value of human capital initiatives
 - ❖ Better metrics to describe, predict and evaluate quality of HR practices
 - ❖ Transfer from HR view to focused on decision science
- ✓ Organisation's are bringing decision making tools to improve management decisions

+ Demographic workforce changes

- ✓ Workforce undergoing transformation (text book references USA, but is it all over) on multiple fronts
 - ❖ More diverse
 - ❖ Demographic shifts, more age groups working together
 - ❖ Large ethnic, cultural and age differences (positive in the sense of creativity and opportunities; negative in sense of bigger challenges) ([chapter 12](#))
 - ❖ Multi generation working together (varied experience, comfort and using of technology)
 - ❖ Workforce diversity is not just a competitive advantage but a necessity

+ Growing complexity of legal compliance

- ✓ The growth of governmental and agency compliance requirements. HR will always be affected
 - ❖ In the USA the following are impacts (Evidence-based hiring, Labour law (in SA as well) and Compliance environments
 - ❖ In South Africa (Labour law, Equity act, etc)

+ Virtualization of work

- ✓ No longer confined to an office – virtual work space
- ✓ Work from home or any other place from where connectivity is possible and there are ways and means to be in contact with the office of clients

Future trends in HRIS

+ Bring your own device

- ✓ With the increase in the number of devices (cell phone, tablets and iPads) and connective possibilities via organisational Wi-Fi brings a lot of challenges especially if staff want to use their own devices
- ✓ Security, policies and costing need to be managed very closely

+ Software as a service (SaaS) and the cloud

- ✓ Smaller companies now have the opportunity to connect and have access to traditional unavailable capabilities
- ✓ Traditional software development is replaced by on-demand software plans
- ✓ Software is delivered to companies via the web (cloud computing)

+ Web 2

- ✓ Focus on creativity, collaboration and sharing.
- ✓ Users do not only access information they create and share it
- ✓ Examples (social networking, wiki, blogs, podcast, RSS and peer-to-peer networking) ([chapter 12](#))

+ Social networking

- ✓ Power of social networks are being harnessed around employment knowledge ([chapter 12](#))

- ✚ **Enterprise portals**
 - ✓ General term to refer to interaction (**chapter 10**)
- ✚ **Open-source Software (**chapter 11**)**
- ✚ **An evolving industry**
 - ✓ Innovation drives new opportunities
- ✚ **Evolving HRIS technology Strategy (**chapter 10 – 15**)**
 - ✓ Organisation's are faced with managing the complexity of working with multiple vendors
 - ✓ Adding all the new technology, Organisation's have not assessed if they are really more effective in delivering the required service
- ✚ **Moves to small businesses**
 - ✓ Future trends are giving smaller business the opportunity to participate and utilize the solutions applicable to them

Future trends in workforce technologies

- ✚ New technology will not solve the issues in Organisation's as many believe.
- ✚ Technology will support the strategic goals. Technology plays the supportive role making activities easier. But if technology is not implemented correctly and use for the correct activities the results will not improve.
- ✚ Solid business strategy is the key for success
- ✚ New technology need to link into the HR strategy
- ✚ **The future of workforce technology:**
 - ✓ Collaborative and connected
 - ✓ More wide spread use of intelligence and self-service
 - ✓ Use of HR scorecards/ analytics
 - ✓ Cheaper access to real-time information
 - ✓ Work anywhere, any time and om any device (work-life balance)
- ✚ **Value of technology**
 - ✓ More automated more success
 - ✓ Business process improvement (6 sigma)
 - ✓ Use of SaaS (rent access saves money)
 - ✓ Record keeping (**chapter 10**)
 - ✓ 'service delivery" applications (work force life cycle management)
 - ✓ Talent management, social media, workforce planning and analytics
 - ✓ Acquiring, developing and retaining employees
 - ✓ Use of SOA
 - ✓ Choices and investments that are providing strong returns
 - Focus on career development
 - Use workforce optimization technology (**chapter 11**)
 - Choose integrated ERP-based talent management solutions
 - Adopt social networking