Adoption Human Resource Management System (HRMS) in an Effort to Support Small and Medium Enterprises (SMEs) manufacturing in Malaysia

Reyad Yousef (Moh’dJuma) Saleh

UNIVERSITY UTARA MALAYSIA
2011
Adoption Human Resource Management System (HRMS) in an Effort to Support Small and Medium Enterprises (SMEs) Services in Malaysia

A Project Submitted to Dean of Awang Had Salleh Graduate School of Arts & Sciences in Partial Fulfillment of the Requirement for the Degree Master (Information Communication Technology) University Utara Malaysia

BY:
Reyad Yousef (Moh’dJuma) Saleh

Copyright ©Reyad Yousef (Moh’dJuma) Saleh, 2011. All rights reserved.
PERMISSION TO USE

In presenting this project of the requirements for a Master of Science in Information Communication Technology (MSc. ICT) from University Utara Malaysia, I agree that the University library may make it freely available for inspection. I further agree that permission for copying of this project in any manner, in whole or in part, for scholarly purposes may be granted by my supervisor or in their absence, by the Dean of College of Art and Sciences. It is understood that any copying or publication or use of this project or parts thereof for financial gain shall not be allowed without my written permission. It is also understood that due recognition shall be given to me and to University Utara Malaysia for any scholarly use which may be made of any material from my project.

Request for permission to copy or make other use of materials in this project, in whole or in part, should be addressed to:

Dean of Awang Had Salleh of Art and Sciences
University Utara Malaysia
06010 - Sintok
Kedah DarulAman.
ACKNOWLEDGEMENTS

First and foremost I thank Allah that I am able to complete my Master’s project even though I have to face many challenges and circumstances. I would like to dedicate this thesis to my father, Yousef Saleh, for always supporting me; my brothers, Mohammad & Hassan, for being my friend encouraging me in all of my endeavors; and most especially to my mother, who always believed in me and made it all possible; to my sister, To My family members, they have been there for me every step of the way, have always loved me unconditionally, and have supported me through all of my tough decisions. Were it not for them, I would not be the person I am today. Last, but not least my helpful friend, Dr Yousef Kamal. I would like to express my heartfelt thanks to my project supervisors: Prof. Madya Abd Ghani B Golamdin And Dr Edy Santoso they is knowledgeable and are always willing to give a helping hand for me. They allocate time for me to meet them for my project journey and also shares idea and view in spite of his hectic schedule.
Abstract

Considering the need for small and medium-sized enterprise (SMEs) to exchange real time information has grown as a result to the adoption of information technology ,moreover SMEs have to tap the power of IT and adopt IT systems to stay competitive and customer oriented, towards achieving this goal this research project is initiated to design human resources management system (HRMS) Framework for SMEs manufacturing sectors in Malaysia, as a purpose of assisting the SMEs manufacturing to reduced total throughput time and overhead cost of manage the staff, This will materialize by the adopt of an human resources management system (HRMS) that focuses on streamlined work flow processes and improving productivity.

Keywords

Human resources management system (HRM) Small and Medium Enterprises (SMEs), Manufacturing of Small and Medium Enterprises.
CHAPTER 1 INTRODUCTION

1.1 Introduction ................................................................. 2
1.2 Problem Statement ...................................................... 4
1.3 Research question ....................................................... 6
1.4 Objectives of the Research ............................................ 6
1.5 Scope of Study ............................................................ 6
1.6 Significance of Study .................................................... 7
1.7 Summary ................................................................. 7

CHAPTER 2 LITERATURE REVIEW

2.1 Definition of Human Resource Management ........................... 9
2.2 Developing HRMS in Malaysia ........................................ 12
2.3 What are SMEs? ........................................................... 14
2.4 SME Annual Report 2009/2010: Transformation to the New Economic Model .... 16
2.5 Impact of SMEs on Malaysian Economy and SME 2011-2020 Masterplan ................. 22
2.6 Why is SMEs Important? ................................................ 25
2.7 Human Resource Management System (HRMS) perspective ............... 25
2.8 Human Resource Management Systems (HRMS) in (SMEs) ................. 27
2.9 Human Resource Management System Development ..................... 29
2.10 Human Resource information System Components ..................... 29
2.11 Functions Of Human Resource management System ...................... 30
2.12 The Impact of Information Technology Integration on Human Resource Professional ........................................................... 32
2.13 Characteristic of Human Resource Management System .................... 34
2.14 Purpose of (HRMS) ....................................................... 35

CHAPTER 3 RESEARCH METHODOLOGY

3.1 Introduction ..................................................................... 43
3.1.1 Awareness of problem ............................................... 44
3.1.2 Suggestion ............................................................. 44
3.1.3 Validation and Evaluation .......................................... 44
3.1.4 Conclusion ............................................................ 45
4.10 Class diagram for HRM system .......................................................... 64
4.11 Login Interface .............................................................................. 66
4.12 HR admin Profile ......................................................................... 67
4.13 Create Position Interface ............................................................. 68
4.14 Create Staff profile Interface .......................................................... 69
4.15 Environmental and safety info ....................................................... 70
4.16 Communication Interface ............................................................... 71
4.17 Qualification Interface Recruiting Interface .................................... 72
4.18 Recruiting Interface .................................................................. 73
4.19 Absence Interface ....................................................................... 74

List of Tables

2.1 Definitions of SMEs ...................................................................... 14
2.2 Output and value ......................................................................... 23
2.3 Contribution of SMEs in the Manufacturing Sector ...................... 23
4.1 Functional Requirement ................................................................. 51
4.2 H/W S/W Specifications ................................................................. 65
Chapter 1
1.1 Introduction:

The increasing demand of the SMEs is the recognized feature of most nations. In Malaysia, this norm is no exception. In order for vision 2020 to be fully developed and become an industrialized nation by the year 2020, the future progress seems to depend greatly upon development of SMEs. In the year 2020, the country will develop to become an industrialize nation by capitalizing on the country’s strengths and able to overcome weaknesses.

In response to the drastic changes, SMEs play an important role in developing country to a higher level. According to (Schlogl, 2004), he stated that small and medium-sized firms dominate our economies in terms of employment and number of companies, yet their full potential remains remarkably untapped. Although there is a broad assumption stating that SMEs generally has positive effects on country economic growth, the notion of economic imperatives for SMEs remains largely untested. Hence.

This research attempts to look into the background challenges faced by the SMEs. This paper begins by defining the Small and Medium Enterprises (SMEs) and the background of SMEs in Malaysia. It then explores the roles of the SMEs in the economic development and challenges faced. The discussion leads to consideration on the importance of Human Resource Management System (HRMS) taking into account the SMEs.

Small and medium enterprises (SMEs), also called small and medium-sized enterprises and small and medium-sized businesses or small and medium businesses (SMBs) are companies whose headcount or turnover falls below certain limits. The abbreviation SME occurs
The contents of the thesis is for internal user only
6.0 References


