A STUDY OF FACTORS INFLUENCING THE IMPLEMENTATION OF HUMAN RESOURCE INFORMATION SYSTEMS AMONG LIBYAN COMPANIES

SALAHEDDIN SALEM

UNIVERSITI UTARA MALAYSIA

2008

KOLEJ PERNIAGAAN
(College of Business)
Universiti Utara Malaysia

PERAKUAN KERJA KERTAS PROJEK
(Certification of Project Paper)

Saya, mengaku bertandatangan, memperakukan bahawa
(I, the undersigned, certified that)
SALAHEDDIN SALEM (89475)

Calon untuk Ijazah Sarjanamuda
(Candidate for the degree of) **MASTER OF SCIENCE (MANAGEMENT)**

telah mengemukakan kertas projek yang bertajuk
(has presented his/her project paper of the following title)

**A STUDY OF FACTORS INFLUENCING THE IMPLEMENTATION OF HUMAN RESOURCE
INFORMATION SYSTEMS AMONG LIBYAN COMPANIES**

Seperti yang tercatat di muka surat tajuk dan kulit kertas project
(as it appears on the title page and front cover of the project paper)

Bahawa kertas projek tersebut boleh diterima dari segi bentuk serta kandungan dan meliputi bidang ilmu dengan memuaskan.
(that the project paper acceptable in the form and content and that a satisfactory knowledge of the field is covered by the project paper).

Nama Penyelia   :   **MR. ABDUL MANAF BOHARI**
(Name of Supervisor)

Tandatangan   :
(Signature)

ABDUL MANAF BOHARI
Pensyarah
Fakulti Pengurusan Perniagaan
Universiti Utara Malaysia

Tarikh   :   **20 OKTOBER 2008**
(Date)

A STUDY OF FACTORS INFLUENCING THE IMPLEMENTATION OF HUMAN RESOURCE INFORMATION SYSTEMS AMONG LIBYAN COMPANIES

A Thesis submitted to the Faculty of Business Management

In partial fulfillment of the requirement for the degree

Master of Science (Management)

Universiti Utara Malaysia

By

SALAHEDDIN SALEM

2008

ii

PERMISSION TO USE

In presenting this thesis in partial fulfillment of the requirements for a postgraduate degree Master of Science (Management) from University Utara Malaysia, I agree that the university's library may it freely available for inspection. I further agree that permission for copying this thesis in any manner, in a whole or in a part, for scholarly purpose may be granted by my supervisor or in their absence, by the Dean of Faculty of Business Management. It is understood that any copying or publication or use of this thesis 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 thesis.

Requests for permission to copy or to make other use of materials in this thesis, in whole or in part shall be addressed to:

Dean (Research and Post-Graduate)
Faculty of Business Management
University Utara Malaysia
06010 Sintok
Kedah Darul Aman

ABSTRACT

The topic of this paper is "A Study of Factors Influencing the Implementation of Human Resource Information Systems Among Libyan Companies". The main purposes of this study are to determine the factors which are successful applications of Information Technologies (IT) in human resource management, to verify the essentiality of Information Technologies (IT) to human resource activities among Libyan Companies, to measure user satisfaction on the HRIS implementation in Libyan companies. The findings illustrates that the size company, capitals are the factors explored towards the success of the organizations in the Libyan country. System characteristics which include the number of human resource applications, the type of computer connected with networking facilities is the fact that most of the responding organizations experience lack of Information Technology. This result evidences to support human resource to contributing towards the successful implementation of IT in the organizations. It is encourage the organizations, specially the small and medium organizations to attempt the HRIS in the organization with the intention to reduce the cost and increase the productivity and hence increase quality of human resources management.

ACKNOWLEDGEMENTS

An outstanding cooperation of dedicated professional at Faculty of Business Management and Graduate School made the creation of the thesis a pleasure. My supervisor, Mr. Abdul Manaf Bohari, enthusiastically support and backed the project and play a large role in completing the thesis. Thank you very much for the invaluable guidance, encouragements, suggestions, comments, and assistances throughout the period of this thesis. Your kind advice will encourage me to do further research in future.

I am particularly grateful to my country and all companies, and also I'm thank to my friends and course mates who in anyway help me through this research paper.

Lastly, I really appreciate the contribution from all of my family. All of you are wonderful helpmate. Thank you for everything.

Salaheddin Salem
16 October 2008

Content

LIST OF PIE

LIST OF TABLES

CHAPTER 1

INTRODUCTION

1.1 Introduction

This chapter introduce the background of the study that is the information technologies in order to assists the work in human resources management system of Libyans Companies. This chapter continues to discuss the problem statement, research questions and objectives of the study. The scope of the study and its significance are explained in the section 1.5 and section 1.6 respectively.

The rapid growth of Information Technologies (IT) assists in the economic, social and so on for a country. This is supported by Shahrum *et. al.* (1995) that the application of information technology would bring possible for vast achievements in the field of knowledge, sciences and technologies. It is not exclude in the human resource management landscapes. This is evidenced by Kinnie and Arthurs, (1996) who mentioned that the utilization of the computer's potential to enhance the role and effectiveness of the personnel function. Moreover, National Development Plan (NDP) focuses development via human resource development in order to make sure more productive contribution to the organization, science and technology, research and development via the creation and absorption of new technologies, as well as to improve and develop existing technologies (Shahrum *et. al.*, 1995).

Thomas and Alexandre (2000) utilized the information technology in the development of human resources for health. The information technology aids in exchanging world experience, health workforce planning, training, and management WHO based on multiple computer-based resources. The resources consist of human resources development topics, run-time spreadsheet models for generating alternative planning scenarios and for preparing workforce plans, slide

1

The contents of the thesis is for internal user only

Reference

Abeles al.et (2006). Assessment of human resource information system (HRIS) needs and personnel/payroll system enhancements. HRIS Work Group Members.

Alvarez-Suescun E. (2007). Testing resource-based propositions about IS sourcing decisions. Industrial Management & Data Systems; Vol. 107 No. 6.

Baloh, P. & Trkman, P. (2003). Influence of Internet and Information Technology on Work and Human Resource Management. *Informing Science*.

Bondarouk, T., & Ruël, H.J.M. (2005).Does e-HRM contribute to HRM Effectiveness? Results from a quantitative study in a Dutch Ministry, *Paper presented at the 4th International Conference of the Dutch HRM Network, November 4 – 5.2006, Enschede, The Netherlands.* http://hrmnetwork.utwente.nl/

Broderick, R. and Boudreau, J.W. (1992). HRM, IT and the competitive edge", *Academy of Management Executive,* Vol. 6 No. 2, pp. 7-17.

Clemons, E.K. (1986). Information systems for sustainable competitive advantage. *Information & Management*, Vol. 11, pp. 131-6.

Chung-Shing, L., Christopher Lee, C. & He-Boong, K. (2006). A framework of outsourcing decision-making for human resource information systems. School of Business, Pacific Lutheran University Tacoma, Washington, U.S.A.

Davidson G. (2005).Why HR outsourcing continues to expand: Successful companies excel by focusing on what they do best. Human Resource Management International Digest; Vol. 13 No. 3.

Eric W.T. Ngai, Chuck C.H. Law, Simon C.H. Chan & Francis K.T. Wat (2008). Importance of the internet to human resource practitioners in Hong Kong Personnel Review; Vol. 37 No. 1.

E.W.T. Ngai, & F.K.T. Wat (2006) Human resource information systems: a review and empirical analysis Vol. 35 No. 3.

Fisher, S.L., & Howell, A.W. (2004). Beyond user acceptance: an examination of employee reactions to information technology systems. *Human Resource Management*, Summer/Fall 2004, 43, (2&3), 243 – 258.

Hall, L., & Torrington, D. (1998). The Human Resource Function: the Dynamics of Change and Development, London: FT Pitman.

Haines, V., & Petit, A. (1997). Conditions for successful human resource information systems, *Human Resource Management*, 36, (2), 261 – 275.

Hussain Z., Wallace J. & Cornelius N. E. (Jan 2007). The use and impact of human resource information systems on human resource management professionals, Vol. 44 No. 1, pp 74-89.

Gasco, J. L., Juan, L. & Gonzalez, M. R. (2004). The use of information technology in training human resources: An e-learning case study. *Journal of European Industrial Training*, Vol. 28 No. 5.

Gardner, S. D., Lepak, D. P.& Bartol, K. M. (2003). Virtual HR: The impact of information technology on the human resource professional. *Journal of Vocational Behavior*. No.63. pp.159–179.

Gi-Ghin, W. (1998). An empirical study on the successful factors of human resource information systems. *Journal of Human Resource Development, vol.10, pp.136-156.*

Guinan, P.J. (1989). A theoretical framework for measuring the impact of information technology in the human resource function: untapped potential or unfulfilled promises?, *Decision Support and Knowledge Based Systems Track, Proceedings of the Twenty-Second Annual Hawaii International Conference*, Vol. 3, pp 832-841.

James A. Rodger, Parag C. Pendharkar,& David J. (1998). Reengineering the human resource information system at Gamma. Patricia Molnar Paper Vol. 16 No. 12/13.

Hippel, C., Mangum, S.L., Greenberger, D.B., Heneman, R.L. and Skoglind, J.D. (1997), "Temporary employment: can organisations and employees both win?", The Academy of Management Executive, Vol. 11 No. 1, pp. 93-104.

Huub J.M. Ruël, Tanya V. Bondarouk & Mandy Van der Velde (2007). The contribution of e-HRM to HRM effectiveness: Results from a quantitative study in a Dutch Ministry. Employee Relations; Vol. 29 No. 3.

Kinnie N. J. & Arthurs A. J. (1996). Personnel specialists' advanced use of information technology Evidence and explanations Personnel Review; Vol. 25 No. 3.

Kearns D. (1997). A natural alliance: integrated vocational rehabilitation and human resource management. Employee Relations; Vol. 19, No. 2.

Kirstie S. & Ball (2001). The use of human resource information systems: a survey. Vol.30 No. 6.

Kavanagh, M.J., Gueutal, H.G., & Tannenbaum, S.I. (1990). *Human Resource Information Systems: Development and Application.* PWS-KENT Publishing Company: Boston.

Keebler, T.J., & Rhodes, D.W. (2002). E-HR: Becoming the "path of least resistance", *Employment Relations Today*, Summer 2002, 57 – 66.

Kossek, E.E., Young, W., Gash, D.C. and Nichol, V. (1994). Waiting for innovation in the human resources department: Godot implements a human resource information system. Vol. 33 No. 1, pp. 135-59.

Liang-Chih Huang, Kuo-Shu Huang, Hsiu-Ping Huang & Bih-Shiaw Jaw (2004). Applying fuzzy neural network in human resource selection system. Vol.1, pp 169-174.

Maris G. & Martinsons (1995). Knowledge-based systems leverage human resource management expertise. International Journal of Manpower; Vol. 16 No. 2.

Maguire, S and Redman, T. (2007). The role of human resource management in information systems development. Management Decision. Vol. 45 No. 2. pp. 252-264

Misra, H. (2006). Role of human resource in information technology alignment in organizations: A metric based strategic assessment framework. Journal of Information Technology Management Volume XVII, No.3.

Nielsen, J. & Landauer, T. (2001). A mathematical model of the finding of Usability problems. In ACM INTER CHI'93. Netherlands: Amsterdam.

Nielsen, J. (2000). *Scenarios in Discount Usability Engineering.* Envisioning work and Technology. Book under preparation. Netherlands: Amsterdam.

New Zealand Qualifications Authority (2003). Retrieved October, 16, 2003. From Http://www.nzqa.govt.nz/nqfdocs/units/pdf/11531.pdf

Panayotopoulou L., Vakola M.& Galanaki E. (2007).E-HR adoption and the role of HRM: evidence from Greece Personnel Review; Vol.36 No. 2.

Peter. H. (1995). *Promoting quality in higher education using human resource information systems.* Quality Assurance in Education: Vol. 3 No. 1.

Porter, M.E. and Millar, V.E. (1985). How information gives you competitive advantages. *Harvard Business Review*, Vol. 63 No. 4, pp. 149-60.

Ruangnoi, K. (2003). Management of web-based human resource information system (HURIS). Uniersity Utara Malaysia.

Smale A. (2008). Global HRM integration: a knowledge transfer perspective. Personnel Review;   Vol.   37   No.   2.

Schuler and Jackson (2005). A Quarter-Century Review of Human Resource Management in the U.S.:The Growth in Importance of the International Perspective. *Management Revue*, vol 16, issue 1.

Shahrum, H., Ang, C. L., Nor, I. Y., Rafidah, A. R., Zulkhairi, M. D. & Zurinah, S. (1995). Information systems success factors in the small-medium enterprises in the Northern Regional of Peninsular Malaysia. Uniersity Utara Malaysia.

Shahrum, H., Yatim, B., Valida, A. C., Md. Dahalin, Z., Ramli, R., Suradi, Z., Omar, Z. & Minai, M. S. (1995). Regional trend in Information Technology Development and the identification of the information technology human resource requirement of Malaysia up to the Year 2000. *IRPA Project Code: S/O 19305.* Sekolah Technologi Maklumat, Universiti Utara Malaysia, Sintok.

Sekaran, Uma (2000). *Research Methods for Business: A Skill Building Approach*, 3rd ed., New York: John Wiley.

Tansley C. & Newell S. (2007). Project social capital, leadership and trust: A study of human resource information systems development Journal of Managerial Psychology; Vol. 22, No. 4.

Tansley C., Newell S. & Williams H. (2001). Effecting HRM-style practices through an integrated human resource information system: An e-greenfield site? Personnel Review; Vol. 30 No. 3.

Thapisa, A.P.N. (1994). Human Resources Planning in Swaziland: Rolls-Royce versus Volkswagen Approaches Library Management; Vol. 15, No. 4.

Thite M. (2004).Strategic positioning of HRM in knowledge-based organizations The Learning Organization; Vol.11 No. 1.

Thomas L. H. & Alexandre, G. (2000). Information Technology and Human Resources Development: The world health organization's HRD toolkit. *Journal of Human Resources for Health Development (HRDJ)*, Vol. 4, No. 1.

Venkatraman, N. (1994). IT-enabled business transformation: from automation to business scope redefinition", *Sloan Management Review*, Vol. 35 No. 2, pp. 73-87.

Walker, A.J. (1993). Resharping the human resource function with technology. *Hadbook of human resources information system.* New york. McGraw Hill.

Yap, C. S., Soh, C. P. P. & Raman, K. S. (1992). Information Systems Success Factors in Small Business. OMEGA International Journal of Management Science, 20 (5/6), 597-600.