SHRM Portals in the 21ˢᵗ Century Organisation

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INTRODUCTION

The importance of people to organisational success has been recognised; the implications of this for human resource departments forms the basis for the content of this article. The ways in which information technology has been used to support changes in the human resource function are discussed, leading to an exploration of the role of strategic human resource management portals. The content of strategic human resource management portals is then outlined, and covers the range of information they currently provide and their future role. Finally, issues relating to implementation are addressed. The need for human resource practitioners to develop a greater understanding of technology and its potential benefits is discussed. This article concludes by reiterating the uses made of strategic human resource portals and by acknowledging the need to continue to strive for improvements in the implementation of IT systems.

PEOPLE IN THE 21ˢᵗ CENTURY ORGANISATION

The resources and capabilities that have the potential to provide an organisation with competitive advantage include financial, physical, and human assets. In this context, human resources include the people and their experience, knowledge, judgement, and wisdom (Barney, 1995). The move to a knowledge and service economy has created a range of changes in organisations; these changes have impacted all areas of the organisation, including the human resource (HR) function. Knowledge work and service provision are highly people-dependent, and hence the importance of people to the success of the organisation has increased with this change. Today's managers rely heavily on people for achievement of their goals; they recognise that people have become their greatest competitive weapon.

Whereas the primary focus of the past has been on managing financial and physical assets, the recognition that staff, and their collective knowledge, have become important assets will require executives to pay more attention to man-

aging people in the coming years (The Boston Consulting Group, 2005). Those entrusted with responsibility for people management within organisations—the HR department which sets the HR strategy and line managers who play a major role in implementing the strategy—now recognise the contribution of HR to organisational performance (Barney & Wright, 1998; Brockbank, 1999; Ramlall, 2003). To add strategic value, HR departments have been asked to develop strategic partnerships (Lawler & Mohrman, 2003), and to become strategically proactive (Brockbank, 1999). This is now happening (Brockbank & Ulrich, 2005).

TECHNOLOGY'S ROLE IN HR MANAGEMENT

Information technology (IT) has an important role to play in strategy formulation and implementation (Powell & Dent-Micallef, 1997), in supporting improved knowledge management processes, in customer relationship management through customer knowledge management (Bueren, Schierholz, Kolbe, & Brenner, 2005), and in organisation-wide financial performance reporting capability. Considerable effort and expense has gone into developing technology-supported financial management systems, client data bases, and data warehouses, with access to a broad range of information provided through purpose-specific portals. The HR function has also been quick to integrate technology into its operations, with the payroll process being one of the first to be automated (Lengnick-Hall & Moritz, 2003).

The HR professional's role is changing in response to changes in the workplace. In the past, the personnel department's role centred on recruiting, selecting, inducting, and paying employees. With the increased importance of people to organisational success, skills shortages as a result of the aging workforce, especially in developed countries, and reduced numbers of young people entering the workforce, HR professionals' services are required for a different range of tasks (Brockbank & Ulrich, 2005). Today's HR staff are involved in organisation-wide strategic planning. Their strategic HR plans no longer merely support achievement

of organisational goals set by others; HR practitioners are developing plans to drive organisational success. This strategically proactive approach to HR (Brockbank, 1999) acknowledges that transactional HR activities must still be performed. Staff must be paid, records kept, policies and procedures developed, and HR departments must ensure legal compliance and reporting in relation to income tax, superannuation, and health and safety. But many of these operational tasks are now performed using human resource information systems (HRISs).

Using HRISs to provide employees with the information they require, through an employee self service (ESS) portal, the dependence on HR administrative officers for information provision is reduced. HRISs, especially when part of an enterprise resource planning system (ERP), are being accessed by a range of people for a variety of purposes. HR managers use the information stored within the HRIS, combined with that from other management systems, for strategic planning. HR officers use the system to store records, generate reports, and ensure legal compliance. Supervisors use these systems to track employee and unit performance, to measure their employees' productivity, to compare sick leave figures with industry standards, or to compare performance with that of other units within the organisation.

HR Portals

Strategic human resource management (SHRM) portals, like ESS portals, provide access to information for a specific group of users. SHRM and ESS portals could be seen as two levels of access to HR-related information with some organisations having one HR portal with two or more levels of access. To distinguish between provision of information to employees and access to information for strategic, organisation-wide planning, we have broken HR portals into two types: those providing information to employees (ESS), and those providing a higher, strategic planning level of information to senior and executive level staff (SHRM).

SHRM PORTALS AND ORGANISATIONAL PERFORMANCE

SHRM portals usually form part of an HRIS which, in turn, may be integrated within an ERP of which HRISs have in recent years become a subset. ERPs integrate information from a diverse range of areas and applications within an organisation (Ashbaugh & Miranda, 2002).

SHRM portals support HR managers and others involved in organisation-wide planning within organisations by providing access to information stored in an HRIS, or that contained in an ERP, for strategic planning.

Since the 1990s, it was predicted that improved HR systems would result in improved organisational performance, and this link between HR management practices and organisational performance continues to be acknowledged (Bowen & Ostroff, 2004; Guest, Michie, Conway, & Sheehan, 2003; Wright, Gardner, & Moynihan, 2003), though some suggest more research is required to fully explain this link (Paauwe & Boselie, 2005; van Veldhoven, 2005). Carmeli and Tishler (2004) found that intangible organisational elements, including human capital and culture, are positively associated with organisational performance.

HR activities, or practices which support high performance HR systems, are increasingly being incorporated in SHRM portals; those which support high performance HR systems. ESSs can free HR professionals of operational activities, enabling them to introduce high performance work practices. SHRM portals provide strategic planning information for HR and other senior managers, including line managers to whom an increasingly large range of HR activities have been devolved (Kulik & Bainbridge, 2005). Devolution further frees HR specialists for their more strategic role.

WHAT SHRM PORTALS DO

Portals enable information from multiple sources to be pooled, organised, and distributed through the gateway that the portal provides. SHRM portals enable access by a range of users to information at a variety of predetermined levels. When linked to other organisational information systems, HR information may be combined, for instance, with productivity, sales, and other information to aid high level decision making.

Supporting Devolution of HR Activities to Line

Devolution of HR activities to line means supervisors now conduct many HR activities formerly carried out by HR personnel. Recent research found line managers are now responsible for a range of day-to-day people management activities, such as managing performance, disciplinary action, coaching, and promotion decisions. However, HR's desire to reduce their involvement in a range of HR activities was not matched by line management's enthusiasm for assuming responsibility for these activities (Kulik and Bainbridge, 2005).

While line managers may feel their current role is complex and demanding enough without accepting responsibility for an increasing range of HR activities, research demonstrates that when HR staff are freed from day-to-day people management activities, they are better able to contribute to strategic

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