WE'VE COME A LONG WAY

Human resources and technology. Not so many years ago many HR professionals would take exception to that term, thinking one had nothing to do with the other. They would be wrong of course, but the prevailing attitude for a long time was that the two were like oil and water.

Technology has played a key role in the management of human resources information for a very long time. In chapter one of *HRMS: A Practical Approach*, a book I co-authored, we note that technology was critical to helping manage the massive amounts of information required by laws, such as the Fair Standards Act of 1934 in the U.S. and related provincial Employment Standards Acts in Canada. The use of technology in HR grew in the '50s and '60s, as employers needed to track special skills in the growing fields of science and technology.

The American Equal Pay Act of 1963 is said to have provided the most significant business case of all for developing an automated personnel system. It was in the '60s that the first commercial HRMS packages were developed. By the late '70s, almost all companies had an HRMS in place.

In the '80s, "personnel" functions went through a transformation. The number of services offered grew, job analysis became more rigorous, compensation became more complex, employment equity programs were put into place, investments were made in staff development, and organizational development arrived. The number of processes to be automated was growing in number and complexity, straining existing systems to the limit. New automated solutions were needed and human resources experts had to guide their development.

By the '90s, the microcomputer or PC had changed our lives. It had placed a computer on the desktop of just about every HR professional. PCs were cheaper to buy and maintain; they were easier to use; and, they interfaced well with other productivity tools such as spreadsheets and word processing software.

In spite of that, the knowledge and use of computers in human resources remained the responsibility of only a few so-called technical experts in HR departments, or worse, the responsibility for managing HR information was abdicated to someone in information technology.

It has always amazed me that so many people in HR did not grasp the benefits of even a little bit of technical knowledge when it came to managing the very information they depend upon to do their jobs. One true story summarizes the whole picture of human resources in the mid-90s. My good friend Ian Turnbull, who today is president of the management consulting firm Laird and Greer and is the current president of the Canadian Council of Human Resources Associations (CCHRA), was attending the HRPAO annual conference in Toronto. Ian was working in the booth of the International Association of Human Resource Information Management (IHRIM) and, being the friendly outgoing chap that he is, spoke to a gentleman passing by the booth. He said, *"Hello,"* and asked if he was aware of what IHRIM is all about. The chap said, *"Yes, I am familiar with IHRIM, they help people with technology, but I have no need for help with computers as I work in human resources."* This interested Ian, so he asked, *"What is your role in HR?"* The chap replied that he was the manager of compensation for a large firm in Toronto.

What is wrong with this picture?

This, in a nutshell, summarized the problem. How did this compensation manager ever do any research into pay rates without technology? How did he keep track of who was in what job? How did he ever manage his annual bonus plan? How did he ever place people into the right job rate without some job evaluation tools? The list goes on and on.

Have things changed since the mid-'90s? I am happy to report that they have! And the credit goes to the people working in human resources.

As I see it there have been three main drivers to change the technical competency levels of human resource professionals:

1. **Opportunity**: Let's face it; just about all HR professionals have a PC on their desks at work. They *have* to use it, as e-mail is now the preferred mode of communication. HR professionals have learned to surf the 'Net, researching a thousand things related to managing HR today. They are no longer afraid of technology.

2. **Need to compete at the top**: Sadly, far too few companies have had the senior HR person on the executive committee. After all, what did HR bring to the table other than a bunch of rules to remind the executive of what they could do and not do? That will not change until HR arrives at the table with useful operational information. For those who now have an executive seat, it's because they have learned to use the very information they manage day-to-day in their own offices: head counts,

analysis, trends, predictions and other data that provide value to the company. Bring information to the table that will help executives make informed management decisions.

3. **Necessity**: At home, children already use the computer as easily as we use the telephone. We have to keep up to be able to talk to them. Learn the technology!

Where are HR professionals using technology in their work in 2002? Hopefully, everywhere. If it's worth doing it, measure it. To measure it, record it. We hear this from the best business minds every day, like Jac Fitz-Enz. How can you measure so many things without having the tools to do it efficiently? It's almost physically impossible to manage all the information we need today without good automation. Just think of what the banks would have to do if they no longer had computers.

The modern HR department: Where are we using technology today?

HRMS: Everyone, including employees. Dynamic human resource management system that runs through the breadth of the company enabling employee and manager self-service, providing line managers with operational information; HR managers with decision-making information on just about every function; and, employees with information on their schedules, leave balances, pension contributions, etc.

Recruitment: Everyone including internal and external candidates. Web-based tools enable managers to proactively post job opportunities. Postings can be restricted to internal candidates for periods of time or go right to the public. Information databases allow previous candidates to remain part of the resource pool.

Training and development: This area is growing fastest these days. E-learning. Learning management systems (LMS). Catalogues of courses available online. Employee self-service. Better links between skill and performance needs and developmental programs to ensure both the employee and company have needs met.

Compensation: Better planning tools for managers. Access to external job and compensation information. Tools for analysis.

Benefits: Full information on plans for employees available online. Employees can change plans themselves.

No area of human resources remains untouched by technology. Fortunately HR professionals are not only learning to use it effectively, in many cases they are leading the way. There were so many good examples of this that in 2001 I edited a book called *E-Work Architect: How HR Leads the Way Using the Internet*, published by IHRIM Press. It documents case studies of where companies have used the latest in information management technology to make managing information easier and more cost-effective. ☐

Al Doran, CHRP, is president of Phenix Management Int'l, a Toronto management consulting firm specializing in HRMS issues. He is co-author of the book Human Resource Management Systems: A Practical Approach, *published by Carswell. http://www.hrmsbook.com. He is a member of the board of directors of both IHRIM and of CCHRA. Doran may be reached at aldoran@pmiHRM.com and his home page is http://www.pmihrm.com/.*