

Transitioning from a Proprietary to Vanilla HRIS: The Resulting Implications for Talent

Sharna Wiblen, University of Sydney, Australia
Sharna.wiblen@sydney.edu.au

Kristine Dery, University of Sydney, Australia
Kristine.dery@sydney.edu.au

David Grant, University of Sydney, Australia
david.grant@sydney.edu.au

***Abstract.** There is an increasing awareness of the significance of talent and talent management to an organisation's performance and competitive advantage. Similarly there is increasing recognition that human capital and talent issues permeate throughout most segments of an organisation. Accordingly, when an organisation decides to change its processes and the way that it conducts its business, talent management will be affected. Based on an in-depth case study, this paper shows that the decision to transition from a proprietary to a vanilla HRIS, significantly affected the way in which the organisation viewed and managed its talent. By applying a social construction of technology based approach (SCOT), this paper further argues that it is important for academics, practitioners, consultants and organisations to be mindful of the potential positive and detrimental talent management implications of altering technology.*

Keywords: Human Resource Information Systems (HRIS), E-HR, talent management, implications, social construction of technology (SCOT)

1 Introduction

The argument that an organisation needs to manage its human capital assets has a long history and has been previously addressed by academics, practitioners and consultants interested in personnel management, human resource management, and strategic human resource management. However changes in demographic patterns, the 'war for talent', talent shortages and several other factors have today combined in a manner which further encourages organisation's to identify, recruit, maintain and develop individuals who are deemed 'talent'. The above changes have provided compelling reasons for organisations to attend to their human assets through talent management. So much so that the increasing importance of 'talent' has prompted many senior executives of organisations to not only state that "our people are our greatest asset" but to undertake tangible strategic actions that embody these claims. Furthermore the ability to effectively manage talent within an organisation has benefited from the introduction of

Strohmeier, S.; Diederichsen, A. (Eds.), Evidence-Based e-HRM? On the way to rigorous and relevant research, Proceedings of the Third European Academic Workshop on electronic Human Resource Management, Bamberg, Germany, May 20-21, 2010, CEUR-WS.org, ISSN 1613-0073, Vol. 570, online: CEUR-WS.org/Vol-570/, pp. 326-341.

© 2010 for the individual papers by the papers' authors. Copying permitted only for private and academic purposes. This volume is published and copyrighted by its editors

technology. The range of technology available to organisations is diverse, and within the academic and practitioner sphere is referred to in a number of ways including E-HRM [e.g. 39, 40, 44], web-based HR, virtual HR and/ or Human Resource Information Systems (HRIS) the focus of this paper is on the later. HRIS are integrated systems used “to gather, store and analyse information regarding an organisation’s human resources” [23] and are considered to be one of the most dynamic and potentially useful technologies in business today [29]. Increasingly organisations are using information technology to support and enhance activities that are critical to their competitive advantage [11].

Literature that advocates for connections between technology, specifically HRIS and talent management exists [e.g. 3, 10, 47] however very little empirical research has been conducted to date. Similarly, very little research has been offered which examines the how changes in HRIS impact upon talent management. As such this paper will focus on the impact of an organisation’s decision to alter their legacy HRIS technology upon its human capital assets. Overall this paper will present a comprehensive examination and analysis of one organisation’s decision to transition their HRIS and the consequential impact of this decision for talent management. The findings suggest that it is important for academics, practitioners, consultants and organisations to be mindful of the potential positive and detrimental talent management implications of altering technology.

The paper comprises of six main sections. In the first section we review the literature that discusses HRIS paying particular attention to previous studies and reports that recognise the connection between technology and talent management. In the second section we discuss the methodology applied. In the third section we provide an overview of the organisation and its history with E-HR and HRIS. This section is then followed by a discussion of our results which has discovered that altering technology has resulted in two significant changes. The final section summaries the findings and provides recommendations for academics and practitioners.

2 Introducing Human Resource Information Systems (HRIS) and Talent Management

The term human resource information systems (HRIS) has been researched and discussed by a number of academics [e.g. 8, 18, 20, 25] and although there appear to be differences in the way that HRIS are specifically defined, there are common elements believed to be associated with the term. Some of the confusion that stems from defining HRIS is associated with the desire for some academics, practitioners, consultants and vendors to assume that a HRIS is hardware or software associated with information technology (IT). To enable a more comprehensive analysis, HRIS are believed to include more than just hardware and software, it also includes people, policies, procedures and data required to manage the Human Resource function and also the human capital assets of the organisation. Thus a functional HRIS must allow and enable the assimilation of procedures and policies to manage an organisations human capital as well as the hardware and software associated with the HRIS [23, 25].

It is not surprising to learn that one of the first perennial issues that organisations need to deal with when embarking on the selection and implementation of technology is the extent to which they will seek customisation. Most specifically, organisations need to determine whether they will tailor their existing human resource processes to fit with the functionality of the technology versus customising the functionality of the

technology to fit their existing human resource processes. With reference to HRIS, the first category, where modifications are made to organisational processes is commonly referred to as 'vanilla' or 'vendor' HRIS and the later category, where modifications are made to the technology are known as 'proprietary' or 'customised' HRIS. Evidence to date shows that most organisations choose to select, implement and maintain 'vanilla' HRIS because of the considerable costs associated with making changes to the technology [41]. Regardless of the approach adopted, the implications of the decision has found to be complex [13, 16].

The use of the term 'talent management' gained momentum and popularity in the late 1990's as the phenomena, today referred to as the 'war for talent' began to rise. The realisation that a number of previously separated demographic and global business patterns were combining in a manner which was about to have important implications for business lead to an increase need for talent management. The McKinsey & Company's study of 1998 [9] drew widespread attention to a rising demand for talent-intensive skills that would outpace supply in many industries and markets. Stahl et al [42] further elaborate upon this influential change in the value of human capital assets by stating that in the context of the late 1990's 'talent management' came to appear synonymous with human capital management and its influence on an organisations strategy.

In direct contrast to traditional HRM, organisations that adopt talent management '...emphasise decisions about the talents of their employees, rather than simply HR service delivery, and how these talents affect traditional measures of financial and competitive success' [6]. Talent management involves moving beyond a focus on HR policies/practices, towards a '...deep and logical framework connecting talent to organisational success...' [6]. Talent management involves looking at business strategy while having both eyes constantly evaluating the talent needs of the organisation pursue its business strategy today and in the future. It is not essential that academics, practitioners and organisations agree on definitions of talent and talent management as it can be argued that an organisation needs to define and pursue talent management in a manner that is specific to the organisation and its business strategy.

Furthermore, and more specifically HRIS are believed to have the potential to be the mechanism by which companies monitor and deploy their talent in order to attain and sustain a competitive advantage [21]. The more contemporary aim underlying the strategic use of HRIS in regards to talent management is to focus on making better decisions, not just producing data faster [27]. More specifically and of greater interest to the study of talent management, is the ability for HRIS to produce metrics, analytics and data about an organisations human capital assets and hence 'talent.' In contrast to arguments that proclaim a relationship between the use of technology and talent management, this paper will focus on the impact of changing a HRIS, a technology used to manage talent, on an organisations understanding of talent and their talent management practices.

There are a number of debates about technology which have highlighted the importance of including and considering the role of both the social and material context upon the selection, adoption and use of technologies [e.g. 14, 17, 33] including HRIS. Such social construction approaches emerged as a response to the previous assumptions regarding the deterministic influence and impact of technology. Embracing the social construction approach, we apply the Social Construction of Technology (SCOT) approach to both the impact of technology as well as the understandings of talent and

talent management. That is, we assume that the organisations use of their HRIS and their understandings of talent are socially constructed. The social construction of technology (SCOT) approach is relevant to this study as it challenges more technological deterministic approaches and the idea that technologies and technological artefacts have a pre-given and fixed meaning and in its place argues that the process, design and selection of technologies are open and can be subjected to contestation [35]. Thus a technology is seen to be characterised by ‘interpretative flexibility’ and various ‘relevant social groups’ who articulate and promote particular interpretations of it. This meaning, over time tends to become accepted and the interpretation of the technology stabilised [14]. The application of SCOT is useful as it enables the authors to recognise that when considering relationships and experiences with technology and talent, it is essential that social factors and previous experiences be considered. Hence the process of talent involves individuals interacting with ‘facilities’, ‘norms’ and ‘interpretative schemes’. Therefore the opinions of respondents can only be understood in the context of individuals and groups comprehending, interpreting, using and engaging with the technologies [14].

Furthermore this paper will transgress from the themes of previous studies of this technology which have mainly focused on the type of applications that predominated in HRIS [e.g. 19, 25, 37], the contexts necessary for the successful implementations of HRIS [e.g. 4, 26], as well as the conditions that support successful use of HRIS [e.g. 2, 23]. Consideration of previous studies combined with arguments regarding connections between technology and talent management this has led this paper to be guided by the following research questions:

- *Does changing from a proprietary HRIS to a vanilla HRIS impact on an organisations understanding of talent?*
- *If so, what changes can be observed?*
- *What are some of the consequences for the organisation?*

By adopting interpretative and constructivist approaches, this research sought to describe, interpret, analyse and understand the social world from the participant’s perspective [15] regarding the use of technology in talent management which was achieved using the following methodology.

3 Methodology

An interpretative epistemology is considered the most appropriate for this paper as it advocates two essential assumptions regarding the creation of meanings; that is that individuals create their own meanings and secondly that context can affect such meanings. Furthermore Orlikowski & Baroudi argue that the context of the use of technology is important, ‘the design and use of technology in organisations, in particular, is intrinsically embedded in social contexts, marked by time, locale, politics, and culture. Neglecting these influences may reveal an incomplete picture of information systems phenomena’ [34].

As the existing literature which examines the combination of these two areas is limited, the research was undertaken as an exploratory case study with the phenomena being the impact of transitioning HRIS on the concept of talent. Investigation of the research question’s required a qualitative research methodology and in keeping with the social

constructivist approach, the paper utilised a number of methods to capture the situated dynamics that emerge as the HRIS transitioned and the implications of this. Furthermore an emergent process was followed [31] and involved the author's moving between emic and etic perspectives [46].

This research adopted an exploratory single site case study methodology [5] which will be the use of technology, specially HRIS, for talent management. A case study for the purposes of this research enabled the researchers to systematically gather information about social settings, event or group which will enable the researcher to understand how the subject operates or functions [5]. This approach is appropriate as it is well suited to the study of complex organisational processes and practices [e.g. 1, 22] and has been used by other researchers whose projects share similarities [e.g. 12, 32]. The data collection process involved conducting semi-structured in-depth interviews [45] with five members of the organisation. All five participants are members of the Human Resource function of the organisation and were selected on the basis of their knowledge, understanding and use of HRIS for talent management in the organisation.

The interviews were conducted within the natural setting over 18 months between February 2008 and October 2009 and were between 37 to 126 minutes in duration. All interviews were later transcribed and reviewed by the authors [38]. Through such methods, this paper sought to add rich empirical data which tells of the stories and experiences of individuals regarding talent management within the organisations. The empirical interview data was then analysed [28] through a double hermeneutic process.

4 The Case Organisation

The case organisation, ManuOrg has been allocated an assumed name. It is a leading diversified manufacturing company with operations throughout Australia, Asia and New Zealand and employ's more than 7,200 individuals across its businesses. Throughout its history, ManuOrg has experienced a number of significant changes in relation to its structure and operations. Despite such changes, the organisation has continued to maintain and manage their talent management processes and human resource activities primarily through a highly customised proprietary HRIS. As such the use of their legacy HRIS was complex and steeped in history.

Today ManuOrg's primary HRIS, has become a system that has been "...maintained, developed, and run...totally in-house" (HR Manager A). Through progressive implementations and the changes made to the functionality of the HRIS over the past ten years, ManuOrg now has an integrated HRIS that is in no way a 'vanilla' HRIS. Rather ManuOrg's current HRIS is a tailored system that specifically addresses the needs of its different businesses and the organisation as a whole; '...the company has been pretty well served from something that has been done in-house and tapered according to the needs' (Executive HR Manager). Representing a significant break with the past, in 2008 the decision was made to transition away from its proprietary HRIS to a more vanilla system provided by a major HRIS vendor SAP.

The data derived and analysed for this paper has discovered that the organisational change in question has resulted in two significant changes. Firstly the organisations understanding of talent and hence desired skills and capabilities altered from more general information technology skills combined with a long history of the organisation and its internal operations to specific information technology skills (those which are needed to use SAP) and the ability to deal with change. The second change encompasses a number of alternations experienced in the structure and management of

talent in the organisation. The second talent management changes are seen to be direct consequences of the first.

5 Key Changes

5.1 What is considered to be ‘talent’ begins to change

The change from the organisation’s proprietary HRIS to SAP has resulted in ManuOrg repositioning its understanding of talent and the desired skills and capabilities which will add value to the business and enable it to pursue its strategic goals. As one of Australia’s oldest organisations, ManuOrg has been able to create an organisational culture that is steeped in tradition and history. Such an emphasis on history can be viewed in their ability to create, build upon, and maintain a legacy HRIS that in 2008 was more than 20 years old. The organisations understandings of talent, has previously included notions of history and loyalty such that many employees have created career paths within the organisation. The pursuit of organisational focused career’s can have a number of benefits for the organisation and the individuals involved. Firstly the organisation is able to gain greater returns from investments in training and development combined with the ability to maintain knowledge about the organisation within the organisation. Similarly the individuals that stay with the organisation have been rewarded for their loyalty and organisational commitment with security in employment and promotions. During the data collection phase of this research, the research team personally liaised with a number of employees who had been with the organisation for more than 20 years. More surprising was that our primary point of contact for the project had served an impressive four decades with the organisation. Despite continuing to recognise the value of long term organisational commitment, members of the human resource function within ManuOrg recognise that the guard is changing and as such the supremacy of organisational careers are beginning to wain. The Executive HR Manager recognised this change:

I think historically from talking to people around the business, you can talk to people who’ve had careers in a number of streams within the various businesses that ManuOrg has owned over the years, but I don’t get a sense of that from more current joiners.

The change in mindset regarding the essentialness of long serving employees coupled with the changes resulting from the implementation of a new HRIS has also encouraged ManuOrg to re-evaluate the skills and capabilities that it desires from the ‘talent’ within the organisation. Given the long and established history of ManuOrg as one of Australia’s oldest organisations (ManuOrgs website) it may be unsurprising to learn that previous human resource and talent management policies and practices have been normalised in the organisation. As such, individuals deemed as ‘talent’ for the organisation centred upon the possession of an extensive knowledge and understanding of the organisation and its different businesses.

Furthermore one category of employees within the organisation that will be significantly affected by the transition is those employed within the existing HR department. As the legacy proprietary HRIS has been customised to meet the needs and demands of a wide range of stakeholders, including the existing HR function, the structure and approach of the HR function will be required to change. To date, individuals employed within the HR team have lived through very few technology platform changes over the years. Similarly the composition of the HR team has experienced very few changes. Despite the small number of individuals located in the

HR team, the length of service for the team is noteworthy. Both team members that were associated with implementing the original HRIS in 1986 are still both with the organisation.

Yeah well we've had a really good system, customised system and that's mainly because of [HR Manager A] and [HR Manager A]'s got a very like sharp mind and stuff and has done some brilliant things with it and he's got [HR Team Member C] who works with him who is again very sharp (HR Team Member A).

Consideration of the above analysis illustrates that the previous desire to retain talented individuals because of their knowledge and expertise in the organisations proprietary HRIS was seen as a significant driver of the organisations understanding of talent. On the most general level, the desired skills and capabilities included general information technology skills combined with a long history of the organisation and its internal operations. In contrast, the significant change to be undertaken has resulted in a new skill set to be added to the understanding of talent for the organisation: the ability to undergo and contend with change. Now one of the most valued talents is the ability to change: "The most obvious one is the capacity for change." (Executive HR Manager).

The ability for the organisation to maintain its traditional approach recently came under fire when one of the two key individuals with the required talent to maintain the system decided to retire. It was during this time that the dangers of their approach to talent were explicitly recognised: "But [HR Manager A] is retiring...so we need to look at upgrading because our human capital was within two people and we need to upgrade it" (HR Team Member A) and hence the current project to replace their proprietary HRIS gained momentum. The organisation, through its senior management realised that their traditional talent management processes, which centred on retaining key talent with the concentrated and specialised organisational knowledge, may not be the most appropriate for the organisation going forward. To continue the traditional approach to talent was seen as risky:

Our risk, and what one of – not the only, but one of the big reasons going out, looking ahead – was the fact that the more sophisticated and complex we become, the more dependent we are on principally two people (HR Manager A).

Recognition of the risks has encouraged the Executive HR Manager to re-evaluate the future needs of the HR function. The selection of SAP as the future HRIS, is seen by the organisation as a strategic decision that explicitly considers the future needs of the business in regards to technology capabilities as well as the different capabilities of talent.

...but I see it's pretty critical for us to focus on and looking at a new system, how we future-proof it in our thinking as much as possible rather than just assuming that what we've done for the last period of time as organisations is going to see us through. But the world of technology and the mind set is just changing so quickly (Executive HR Manager).

The strategic selection of SAP will directly impact on the skills and capabilities that the organisation requires to go forward. The implementation and adoption of SAP will require the organisation to acquire and retain skills, knowledge and expertise in SAP. The ability to acquire such talent will not only affect the success of the technology but it also has the ability to enhance or hinder future talent and operational elements of the business. Prior to selecting the new HRIS, the organisation had limited SAP talents held

internally. More telling of this widening talent gap was the complete lack of SAP skills in their existing HRIS maintenance and HR teams. To fill this void in the short term, the organisation has selected to engage a consulting company with specialised and certified SAP skills and knowledge to assist with the project. The need to include SAP skills as a talent in the organisation not only requires modifications to training and development processes but it also requires a change in mindset. The change in mindset will "...actually add value to the business" (Executive HR Manager)

Despite the use of consultants, ManuOrg now faces the challenge of acquiring SAP skills and knowledge for the longer term. This can either be achieved through providing traditional training and development for existing employees or targeting the acquisition of SAP skills, knowledge, and expertise through external recruitment. Regardless of the decision made, each approach will require the organisation to make trade offs between organisational knowledge, and specific technological knowledge.

Changes in the external environment coupled with the decision to implement a new and different HRIS has encouraged ManuOrg to re-evaluate the skills and capabilities that they consider as talents required to achieve their business objectives. The outcomes of this re-evaluation have had both positive and detrimental implications upon the way that the organisation manages its talent.

5.2 Implications of changing an HRIS for Talent Management

A new understanding of the skills and capabilities regarded as talent has resulted in a number of talent management implications. Furthermore, we have found that three specific consequences have been observed in the short term. These are; the need to balance generational demands, repositioning of teams and functions within the organisation, as well as the ability to revise their remuneration policies.

Firstly, the organisation's explicit desire to increase the number of activities that are conducted online and facilitated through E-HR processes has implications for the organisation with regard to their ability to cater for, manage and balance, the differing needs of employee cohorts such as Generation X and Y with Baby Boomers. The ability to do this effectively is seen as an important talent management challenge. Generational differences regarding expectations of technology has factored into the decision making processes associated with the future technology requirements of the business. The need to consider and address this area was seen as important by the Executive HR Manager:

So, how do you target the technology in a way that meets the business need but also is meeting different generations that are in the work force, because clearly there's still a lot of people, I'm sure in this organisation, that are going to struggle with the concept of a payslip coming via SMS on their mobile phone, whereas, for the generation coming into the work force, that 'where is it?

Furthermore career progression and talent development is seen to also differ between generational cohorts of employees:

I mean like I've dealt with a lot of Gen Y people and you've got some really open Gen Y people, and then you've got some others that are like well I'm a graduate, when I come in here today I'll be the managing director tomorrow. So it's trying to manage those types of people (HR Team Member B).

As ManuOrg adapts their understanding of talent in order to appreciate the differing skills and capabilities that generational cohorts can provide, policies and processes regarding recruitment, selection, succession planning and training and development

activities have also been required to adapt. Overall managing different generational demands and expectations of technology, E-HR and more specifically for the purposes of the paper, a SAP HRIS, leads to changes in talent management.

The repositioning of certain functions and teams within the organisation and its structure are considered as the second category of consequences of transitioning the HRIS for talent management. As discussed previously, the current HRIS project has required the organisation to re-evaluate the talents that are required and the strategic contributions of those talents. This has further caused the organisation to recognise that many talents held currently within the organisation may not be required to meet the future direction of the business;

I guess the challenge for ManuOrg now is what the world looks like going forward and whether the staff within the current operation are the necessary fit to what the mission looks like going forward. (Executive HR Manager).

One outcome of the re-evaluation is the desire to centralise information technology (IT) skills and talents. In order to centralise and unite IT talent, the organisation is seeking to reposition existing employees with specialised proprietary HRIS technical knowledge who currently sit within the HR team to the Business Information Systems (BIS) team. Previously the HR function, included all of the HRIS team however the retiring employee recognised very early in the process that this was going to change:

My team, we call HR Services, and as the name implies, we provide services across the whole [organisation]... The services include the HRIS system, so I have a team of IT professionals reporting to me, and we maintain and develop the present HRIS system. That won't continue in the future... (HR Manager A).

The Executive HR Manager also saw that the transitioning in HRIS would have talent implications for the existing HRIS team:

So obviously one of the things that will probably come out of the new system is... a move towards a more conventional structure of that [the HRIS] team within the IT structure.

The decision to relocate the existing HRIS team from HR to BIS recognises that the individuals with extensive knowledge of the proprietary HRIS and the organisation are no longer regarded as contributing strategically to the performance of the HR function. The individuals affected by this transition will not only be relocated to become members of the BIS team, but they will also need to be found alternative roles as their previous positions are now redundant. When asked by the research team about what will happen to the current HRIS team when the transition to SAP is finalised, the HR Manager discussed how the team will be totally disbanded and that particular members may leave the organisation if alternative positions can not be found. The Executive HR Manager shared similar sentiments during the same discussion. He stated:

I mean clearly we're not going to need HRIS skills. Each of the individuals have a broad set of business skills, the issue is if there is a suitable role that they can move into to. So, it's really more around is there actually a meaningful role that makes sense both from the company standpoint and obviously from the individual standpoint.

Given the move to SAP knowledge, skills and capabilities, the organisation has also sought to externally recruit additional individuals to strengthen the capacity of the BIS team. To date the organisation has recruited three such individuals that reside in the BIS

team and are working in hands-on positions regarding the roll out of the new SAP HRIS. Despite their talents in SAP, it is important to recognise that none of these individuals have knowledge of ManuOrg and its operations. The organisation recognises that they have needed to make talent management trade offs. The newly appointed HR Manager (replacing the retiring manager) accepted this talent management decision point:

I think whether you go with an SAP versus business knowledge, its like anything, it's like when you recruit for any role. Do you go with someone who has got subject matter expertise, which one can you learn the quickest to actually get you over the line (HR Manager B).

The most significant change regarding the management of talent for ManuOrg as a result of transitioning their HRIS involves the relocation of their Accounting function, including their payroll team from Brisbane to Sydney. Consequently this decision involves not only a relocation of a function from one state to another, but also the “phasing out” out and replacement of an entire team of employees. Again recognising the talent implications of changing from a proprietary to vendor HRIS has directed the organisation to re-evaluate the role and position of the payroll team in a similar manner to the HRIS IT team. Members of the payroll function previously located in Brisbane were given the opportunity to relocate to Sydney however all declined and as such, all of the employees now employed as part of the payroll function located in Sydney are new to the organisation. This has been challenging for the organisation. “...I had another challenge in that ...my payroll team, for instance changed. You know, they were up in Brisbane and now we've moved them down here. It's a whole new team” (HR Manager B). During the process of relocating, the organisation resolved to operate both payroll teams simultaneously. This presented additional talent management challenges as neither team was knowledgeable of both the new system and the organisation:

Unfortunately what we've ended up with is not surprisingly a disenchanting Brisbane team, the team that know the business and a completely new team who don't know the business at all (HR Manager A).

The organisation has also needed to manage the talent and knowledge implications of this move which has compounded some of the challenges. Furthermore the decision to transition their HRIS has required the organisation to choose between the organisational knowledge and technology talents in regards to their payroll team. The existing payroll team members were employees that were well versed in the proprietary system rather than SAP payroll and hence their talent set was deemed less salient. In contrast, the new payroll team is well versed in SAP but not the organisation. The new HR Manager reflected upon this during our most recent interview (October 2009):

All that knowledge is gone. Not gone, sorry, all that knowledge you can no longer use in the new systems, so I think that is some of the challenges that we have.

He then continued:

I guess that it would be great to have people who had very, very good knowledge in the business of SAP and our payroll, but you see that's quite difficult because all of our expertise has been with our legacy HRIS system... So unless you buy it in, and then your not getting the organisational bit, so it's a bit of a catch-22 (HR Manager B).

The organisations decision to reposition the IT experts from the previous HRIS team from members of the HR team to the BIS team, combined with relocating and replacing the payroll function are two direct talent management consequences of the transitioning from a proprietary to vendor HRIS.

The third consequence of undertaking an upgrade of the organisations HRIS is seen to centre upon perceived opportunities for ManuOrg to adopt a more strategic talent management mindset. This change in mindset would then be reflected in the organisations remuneration policies and distribution of short, medium and long term incentives. The Executive HR Manager recognises that their remuneration policies and practices have adopted more traditional human resource management approaches which pursue equity. Although the more traditional human resource approach is believed to have served them well in the past, it may not be the best way for the organisation to manage the remuneration aspects of the business in the future:

...I think it is, but for a whole lot of good reasons, we've tended to have the one-size-fits-all, and that's going to have to be tested and I suspect changed to reflect where the different streams of the business are... At the moment, the LTI [long term incentives] is obviously structured around an equity plan and what's the value of that to people who are in one side of the business vis-à-vis another...

The desire to exploit the move towards SAP technology to help drive changes in the way employees are rewarded is seen as an important strategic issue. To represent such beliefs the Executive HR Manager continues:

But I think strategically... it's around what are the reward programs around that, both short term and long term, but I think increasingly the world is moving towards more of a medium term incentive type approach.

In contrast to equity and consistency approaches, ManuOrg see's that the adoption of a SAP HRIS will provide them with additional functionality that can be utilised to pursue remuneration in a way that targets and rewards individuals and/or groups of individuals that posses the talents required for the organisation to achieve its future business objectives. The new technology is seen to also enable the organisation to reward talented individual's that add value. Such a transition in thinking represents a move towards a more strategic approach to talent management through the generation and management of information.

6 Discussions and conclusions

An examination of the existing literature regarding talent management and E-HR encouraged the authors to seek a greater understanding about the possible talent and talent management implications of an organisations decision to alter technology which was highly customised. The results from a detailed exploration of one organisation's transition from a long standing, highly customised proprietary HRIS, to a vanilla HRIS provided by SAP has uncovered a direct impact between this transition and the organisations understanding of talent and approach to talent management. In this case, it appears that the change in the HRIS approach, i.e. the move to SAP has influenced the desired skills and capabilities of the human resource and IT functions. Given the nature of existing academic arguments regarding the need for organisations to define the talents that are essential for the organisation, one could have expected the decisions surrounding the selection and adoption of a HRIS would have been made with direct

consideration of the organisations talent management strategy and that the organisations talent management strategy should determine the HRIS. However this appears not to be the case. In this instance the transitioning of a HRIS had implications for talent. Although this research draws on only one case, additional research should be undertaken to consider the causal relationships between technology and talent management.

The data derived and analysed for this paper has enabled the authors to discover that the organisational change in question has resulted in two significant implications. Firstly the organisations understanding of talent and hence desired skills and capabilities shifted from more general information technology skills combined with a long history of the organisation and its internal operations, to specific information technology skills (those which are needed to use SAP) and the ability to deal with change. The second impact encompasses a number of changes experienced in the structure and management of talent in the organisation. The second impacts are seen to be direct consequences of the first.

The results also show that an organisations understanding of talent is socially constructed. Furthermore it is argued that an organisations understanding of talent, and their approach to talent management should change as the organisation undergoes change. It is believed that such changes are an essential consequence of pursuing talent management because talent management involves the management of talent in connection to the organisations business strategy of today and the future. Through the presentation of one case organisation, ManuOrg has demonstrated how the decision to make changes within the organisation, such as a change in HRIS, should encourage the organisation to re-evaluate the skills and capabilities that they desire and that contribute to the pursuit of their strategy. Changes in technology will also affect talent management policies, processes and activities. The impact of transitioning technology on talent and talent management is an area that currently lacks extensive consideration by academics and practitioners. It is suggested that future research and studies that address E-HR, HRIS and/ or talent management may like to further consider such impacts and extend this body of knowledge.

By adopting a social construction of technology approach to the study of talent, the paper's findings demonstrate that the study of technology and its impact on talent management is determined in part by the agency of the individuals involved and the social context within which the organisation operates [33]. In sum, it is only through the appreciation of both the material and the social can more informed understandings of E-HR and talent management be obtained. These findings corroborate those of existing literature that apply SCOT to the study of technology [e.g. 14, 16].

As organisations increasingly compete through talent [7], and continue to realise that the management of their talent is critical to their operations and survival, the use and application of HRIS, through access to encompassing information, may allow organisations to more effectively and strategically manage their talent and allocate resources. A growing awareness of the changing nature of business through globalisation combined with changing demographics such as an ageing population and talent shortage, compels business to focus more of their attention and energy on not only retaining their talent but also keeping them actively engaged in their work [24, 30, 36, 43]. In this environment, it will be critical for organisations to manage their talent in a more strategic manner than they have been accustomed. Furthermore it is believed

that the technological factors, such as HRIS, which are also constantly evolving will bring with them talent management opportunities and solutions.

Despite the findings and contributions made by this paper, the potential connections between technology and talent management still present an area for future research. There are possible connections that can be made between technologies such as HRIS and talent and talent management however additional in-depth comparative case studies considering a diverse range of organisations according to industry, location and size will further enhance our understanding of this phenomenon. Furthermore, additional theoretical lens such as technological determinism, discourse analysis and the resource-based view of the firm could also be applied by future analysis.

Regardless of whether organisations choose to upgrade, downgrade, combine or replace any form of technology, this paper shows that academics, practitioners, consultants and organisations should be aware of, and sympathetic to the possible positive and detrimental talent management implications of pursuing changes in technology. Furthermore, it is important to recognise that analysis of relationships between E-HR, HRIS and talent management may be limited however it is important and as such this paper has drawn upon empirical data to present evidence that making changes to technology can and will impact talent management.

References

- [1] Allan, G. A., & Skinner, C. J. (Eds.). (1991). *Handbook for research students in the social sciences* London ; New York :Falmer Press.
- [2] Ball, K. S. (2001). The use of human resource information systems: a survey. *Personnel Review*, 30(5/6): 677-693.
- [3] Bassi, L., & McMurrer, D. (2007). Maximizing Your Return on People *Harvard Business Review*: 1-10.
- [4] Beckers, A. M., & Bsot, M. Z. (2002). A DSS Classification Model for Research in Human Resource Information Systems *Information Systems Management*, 19(3): 41-50
- [5] Berg, B. L. (2009). *Qualitative Research Methods for the Social Sciences* (7th ed.). Boston: Allyn & Bacon
- [6] Boudreau, J. W. (2003). Sustainability and the Talentship Paradigm: Strategic Human Resource Management Beyond the Bottom Line (CAHRS Working Paper 03-21). Ithaca: New York: Cornell University, School of Industrial and Labor Relations, Center for Advanced Human Resource Studies. .
- [7] Boudreau, J. W., & Ramstad, P. M. (2005). Where's Your Pivotal Talent? *Harvard Business Review*, 83(4): 23-24.
- [8] Bussler, L., & Davis, E. (2001). Information Systems: The Quiet Revolution in Human Resource Management *Journal of Computer Information Systems*, 42(2): 17-20.
- [9] Chambers, E. G., Foulton, M., Handfield-Jones, H., Hankin, S. M., & Michaels III, E. G. (1998). The War For Talent *McKinsey Quarterly*(3): 44-57.

- [10] CIPD. (2005). *People Management and Technology: Progress and Potential Survey Report June 2005* ed. London: Chartered Institute of Personnel and Development
- [11] CIPD. (2006). *HR and Technology: Beyond Delivery Change Agenda Change Agenda* ed. London: Chartered Institute of Personnel and Development
- [12] Dery, K., Grant, D., Harley, B., & Wright, C. (2006a). Work, organisation and Enterprise Resource Planning systems: an alternative research agenda. *New Technology, Work and Employment*, 21(3): 199-214.
- [13] Dery, K., Grant, D., & Wiblen, S. (2009). Human Resource Information Systems: Replacing or Enhancing HRM. Paper presented at the 15th World Congress of the International Industrial Relations Association IIRA 2009 'The New World of Work, Organisations and Employment', Sydney, Australia.
- [14] Dery, K., Hall, R., & Wailes, N. (2006b). ERPs as 'technologies-in-practice': social construction, materiality and the role of organisational factors. *New Technology, Work and Employment*, 21(3): 229-241.
- [15] Glaser, B. G., & Strauss, A. L. (1967). *The Discovery of Grounded Theory: Strategies for Qualitative Research* New York Aldine Publishing Company
- [16] Grant, D., Dery, K., Hall, R., Wailes, N., & Wiblen, S. (2009). Human Resource Information Systems (HRIS): An Unrealised Potential Annual CIPD Centres' Conference Nottingham, United Kingdom
- [17] Grint, K., & Woolgar, S. (1997). *The Machine at Work: Technology, Work and Organisation* Cambridge: Polity Press.
- [18] Grossman, M. E., & Magnus, M. (1988). The Growing Dependence On HRIS. *Personnel Journal*, 67(9): 52-59.
- [19] Gueutal, H. G. (2003). The Brave New World of E-HR. *Advances in Human Performance and Cognitive Engineering Research* 3: 13-36.
- [20] Haines, V. Y., & Petit, A. (1997). Conditions for Successful Human Resource Information Systems. *Human Resource Management*, 36(2): 261-275.
- [21] Hannon, J., Jelf, G., & Brandes, D. (1996). Human resource information systems: operational issues and strategic considerations in a global environment. *International Journal of Human Resource Management*, 7(1): 245-269.
- [22] Hartley, J. F. (2000). Case Studies in Organizational Research. In G. Symon, C. Cassell, & R. Dickson (Eds.), *Qualitative Methods in Organizational Research and Practice* 208-229. Hove: Psychology Press
- [23] Hendrickson, A. R. (2003). Human Resource Information Systems: Backbone Technology of Contemporary Human Resources. *Journal of Labor Research*, 24(3): 381-394.
- [24] Joerres, J., & Turcq, D. (2007). Talent Value Management. *Industrial Management*, 49(2): 8-13.
- [25] Kavanagh, M. J., Gueutal, H. G., & Tannenbaum, S. I. (1990). *Human resource information systems: development and application*. Boston, Mass: PWS-Kent Publications Co.

- [26] Kinnie, N. J., & Arthurs, A. J. (1996). Personnel specialists' advanced use of information technology. *Personnel Review*, 25(3): 3- 19.
- [27] Kovach, K. A., & Cathcart, J. C. E. (1999). Human Resource Information Systems (HRIS): Providing Business with Rapid Data Access, Information Exchange and Strategic Advantage, *Public Personnel Management*, Vol. 28: 275: International Public Management Association for Human Resources.
- [28] Lawler, J. (1998). Choosing a Research Approach: Matching Questions with Methodologies In J. Lawler (Ed.), *Writing qualitative research* 69-80. Sydney: Hampden Press.
- [29] Mayfield, M., Mayfield, J., & Lunce, S. (2003). Human Resource Information Systems: A Review and Model Development *Advances in Competitiveness Research*, 11(1): 139-152.
- [30] McConville, T. (2006). Devolved HRM responsibilities, middle-mangers and role dissonance *Personnel Review*, 35(6): 637-653.
- [31] Miles, M. B., & Huberman, A. M. (1994). *Qualitative data analysis: An expanded sourcebook* (2nd ed.). Thousand Oaks, CA: Sage
- [32] Orlikowski, W. J. (2002). Knowing in Practice: Enacting a Collective Capability in Distributed Organizing. *Organization Science*, 13(3): 249-273.
- [33] Orlikowski, W. J., & Barley, S. R. (2001). Technology and Institutions: What Can Research on Information Technology and Research On Organizations learn From Each Other? . *MIS Quarterly*, 25(2): 145-165.
- [34] Orlikowski, W. J., & Baroudi, J. J. (1991). Studying Information Technology in Organizations: Research Approaches and Assumptions. *Information Systems Research*, 2(1): 1-28.
- [35] Pinch, T. J., & Bijker, W. E. (1984). The Social Construction of Facts and Artefacts: or How the Sociology of Science and the Sociology of Technology might Benefit Each Other. *Social Studies of Science* (Sage), 14(3): 399-441.
- [36] Ready, D. A., & Conger, J. A. (2007). Make Your Company a TALENT FACTORY. *Harvard Business Review*, 85(6): 68-77.
- [37] Robinson, D. (1997). *HR information systems: stand and deliver* Brighton UK: The Institute for Employment Studies.
- [38] Roulston, K., deMarrais, K., & Lewis, J. B. (2003). Learning to Interview in the Social Sciences. *Qualitative Inquiry*, 9(4): 643-668.
- [39] Ruël, H., & Bondarouk, T. (2008). Exploring the Relationship between e-HRM and HRM Effectiveness: Lessons Learned from Three International Companies In G. Martin, M. Reddington, & H. Alexander (Eds.), *Technology, Outsourcing and Transforming HR* 161-191. Oxford: Butterworth- Heinemann.
- [40] Ruël, H., Bondarouk, T., & Looise, J. K. (2004). E-HRM: Innovation or Irritation. An Explorative Empirical Study in Five Large Companies on Web-based HRM *Management Revue*, 15(3): 364-380.
- [41] Shrivastava, S., & Shaw, J. B. (2003). Liberating HR Through Technology *Human Resource Management*, 42(3): 201-222.

- [42] Stahl, G. K., Bjorkman, I., Farndale, E., Morris, S. S., Paauwe, J., Stiles, P., Trevor, J., & Wright, P. M. (2007). *Global Talent Management: How Leading Multinationals Build and Sustain Their Talent Pipeline* In INSEAD (Ed.), *Faculty & Research Working Paper 2007/34/OB*. France: INSEAD
- [43] Stevens, H. P. (2008). Total Quality Management Now Applies to Managing Talent. *Journal for Quality & Participation*, 31(2): 15-18.
- [44] Strohmeier, S. (2007). Research in e-HRM: Review and implications *Human Resource Management Review*, 17: 19-37.
- [45] Taylor, S. J., & Bogdan, R. (1984). In *Depth Interviewing, Introduction to qualitative research methods: the search for meanings* Vol. Second Edition: 87-116. New York: Wiley.
- [46] Thompson, C. J., & Haytko, Diana L. (1997). Speaking of Fashion: Consumers' Uses of Fashion Discourses and the Appropriation of Countervailing Cultural Meanings. *Journal of Consumer Research*, 24(1): 15-42.
- [47] Williams, H. (2009). Job Analysis and HR Planning. In M. Thite, & M. J. Kavanagh (Eds.), *Human Resource Information Systems. Basics, Applications, and Future Directions* 251-276. California: SAGE Publications Inc.