THE CONTRIBUTION OF A GLOBAL SERVICE PROVIDER’S HUMAN RESOURCES INFORMATION SYSTEM (HRIS) TO STAFF RETENTION IN EMERGING MARKETS - COMPARING ISSUES AND IMPLICATIONS IN SIX DEVELOPING COUNTRIES

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Abstract

Purpose – In this paper the contribution of a global IT service provider’s Human Resources Information System (HRIS) to staff retention in emerging markets is discussed. This includes a comparison of the relevant issues and implications. Despite the differences between the developing countries investigated, the author of this paper concludes that a global HRIS is the best solution for minimalizing the attrition of IT professionals in a globalizing world.

Design, methodology and approach – The theoretical framework for this paper is based on HR literature concerning staff retention and on the HRIS success model proposed by Haines and Petit (1997). The argument is illustrated by quotes from 16 semi-structured expert interviews with Accenture HR executives and managers in Argentina, Brazil, China, India, Latvia and the Slovakia, plus a structured questionnaire answered by these same interviewees.

Findings – HRISs contribute positively to staff retention for global IT service providers in emerging markets. Especially important in minimizing turnover is the support they can provide for the allocation of employees to international engagements, including scheduling and training. Another positive aspect of HRISs is their self-service functionality. This is very helpful for both employees and managers. Such facilities suit the modern, 24-hours-a-day economy and helps companies retain their staff.

Originality and value – This paper addresses the differences and similarities in a global IT service provider’s staff retention management and the contribution of its HRIS towards this goal in six developing countries.

Keywords - Global IT service provider, Human Resources Information System (HRIS), Outsourcing, Retention management, Staff retention
INTRODUCTION

Globalization has increased labor shortages worldwide (World Bank, 2007). This holds for IT professionals too (Carmel and Tjia, 2005; Beulen et al., 2006; Thomson, 2006), a result of the autonomous increase of the global demand for IT services. IT service providers have been growing powerfully. Gartner expects worldwide IT outsourcing spending to grow from US$ 225 billion in 2006 to US$ 328 billion in 2011, reflecting a five-year compound annual growth rate of 7.8 % (Hale and Potter, 2007). IDC predicts that the worldwide offshore IT services market will grow from US$ 17.2 billion in 2006 to US$ 37.8 billion in 2011, a five-year compound annual growth rate of 17.1 % (Tapper et al., 2007). This increasing global demand for offshore IT services has resulted in a ‘war for talent’. Therefore staff retention is of key importance (Agarwal and Ferratt, 2001; Fisher et al., 2005; Landberg, 2006; Luftman and Kempaiah, 2007; Robertson, 2007).

Another aspect of globalization is that the importance of the BRIC countries (Brazil, Russia, India and China) in IT services provisioning is growing (IDC, 2007). Other Asian, East European and South American countries are emerging and maturing as well (Overby, 2006).

This paper is structured as follows. First, we look into staff retention: the factors that determine whether staff is retained and the strategies companies may employ to do so. Then a definition is presented of Human Resources Information Systems (HRIS). In the next section, the research question and methodology are elaborated, and the case study used to answer the research question is described. Finally, the HRIS functionalities that are important to staff retention are summed up, after which the paper’s conclusions are given.

Staff retention

Studies into staff retention carried out for the US government have shown that remuneration is one of the reasons for IT professionals to leave their employer – but not their most important reason (DeMers, 2002; Ressler, 2006). Luftman and Kempaiah (2007) have found that the same proves to be true for private companies, although they have also pointed out the fact that in the for-profit world counter-offers are often made to IT professionals who are considering a move, in order to keep them.

But generally, many motives other than money play a role in IT professionals’ considerations: interesting assignments, growth perspectives, inspiring managers, training and development opportunities, well-equipped work locations and flexible working hours, and the chance to work with the newest technologies (DeMers, 2002; Hayes, 2005; McGee, 2006; Tarasco and Damato, 2006; Luftman and Kempaiah, 2007).
HR professionals have only limited power over employee turnover. They cannot change or turn back termination decisions taken by individual employees (Baysinger and Mobley, 1983). Nevertheless, Kerr and Slocum (1987) and Kopelman et al. (1990) claim that HR professionals can influence staff retention indirectly by letting organizational culture values do their work on the company’s HR strategy, including selection and placement policies, promotion and development procedures, and reward systems. Gerlade and Ivery (2003) have elaborated the relation between HR management, work climate and organizational performance. And while these researchers admit there are no hard and fast correlations between these variables, HR professionals do have the responsibility to develop and implement a strategy that aims to minimize turnover and recruitment costs (Abelson and Baysinger, 1984; Boudreau and Berger, 1985). The implementation of such a strategy can well be supported by information technology in the shape of an HRIS.

Globalization has made skilled IT professionals more mobile. This does not only mean that non-Westerners will easily move to the West; they may more easily return home too. Especially IT professionals from India tend to return to their home country (Bose, 2006). Such trends complicate the challenge of staff retention. And there are more complicating factors. A study carried out by Stephan and Levin (2005), for example, shows that gender differences apply in the IT branch too: women leaving their company often do not move to another company but stop working altogether. Marriage and family life play different roles for women and men, which affects retention. These complexities mean that more is needed than a short-term action plan if one intends to retain one’s IT professionals. Retention management will have to be anchored in the company’s HR strategy (Lado and Wison, 1994; Huselid et al., 1997; Agarwal and Ferrat, 2001). And it must be facilitated by a HRIS (Hussain et al. 2006; Lepak et al., 2007; Sanchez and Aguayo, 2007).

**Human Resource Information Systems**

More and more companies use an HRIS, in order actively to support both their HR management and their business management (Shrivastava and Shaw, 2004; Hussain et al., 2006; Lepak et al., 2007). An HRIS may be defined as ‘the system used to acquire, store, manipulate, analyze, retrieve and distribute pertinent information regarding an organization’s human resources’ (Tannenbaum, 1990, page 27). Such systems have always been around, of course. But since the 1940s, when they consisted of personnel administration and payroll activities run on sorting and tabulating equipment, they have been extended and modernized almost beyond recognition. The 1960s saw the introduction
of computers in HR departments, albeit on a very small scale and with limited functionality (DeSanctis, 1986). In the late 1970s Hennessey reported that the increase in complexity due to globalizing companies, changing legal environments and the growing percentage of white-collar workers created an increasing demand for HRISs with functionalities that would provide the company’s business managers with management reports giving them HR information relevant to their needs (Hennesey, 1979). Then, in the mid-1980s, DeSanctis concluded that 'Human Resource Information Systems (HRIS) have become a major MIS subfunction within the personnel areas of many large corporations’ (1986, page 15).

HRIS functionality nowadays includes corporate communication, recruitment, selection, training, employee opinion survey, compensation, payroll services and employee verification as well as general information (Ngai and Wat, 2006). Holincheck et al. (2007) distinguish between administrative applications, talent management applications, workforce management applications, service delivery applications and workforce analysis and/or decision support applications. This means a shift has been made from labor-intensive HRM to technology-intensive HRM (Florkowski and Olivas-Lujan, 2006), a transformation that has been all but simple. Kovach et al. (2002, page 46) consider ‘getting the staff to adopt and adapt to a new system, which is actually a new business process for them’ to be the most important difficulty when an HRIS is implemented. Nevertheless they conclude that HRISs are the only way to achieve both administrative and strategic advantages. However, do HRISs also provide the solution to the retention of qualified IT professionals in the dynamic labor markets that we meet in the emerging economies? An HRIS enables HR employees to focus on workforce analysis, but simply having more information does not automatically lead to a better analysis (Roehling et al., 2005). So how can HRISs make positive contributions to the retention of IT professionals in emerging markets? In this paper that question will be studied for one specific global IT services provider: Accenture.

Method and procedure
Since the purpose of this research study was to investigate the contribution of a HRIS to staff retention at a global IT service provider, the appropriate research method was to generate an ‘exploratory-descriptive’ case study at this company (Yin, 2003). This research method enables one to elicit data and information from informants with the purpose of building a theory rather than testing a particular theory (Myers and Avison, 2002). The central research question was ‘Can an HRIS make a positive contribution to the retention of IT professionals in emerging markets?’
The research needed was carried out by Accenture itself. Accenture is a global management consulting, technology services and outsourcing company, with net revenues of USD 19.7 billion in the 2006-2007 fiscal year. It is committed to delivering services to businesses and governments, and employs more than 175,000 people in 49 countries. The author of this paper is himself an Accenture employee. His position does not include any HR management responsibility or involvement. In order to carry out his research independently, the author adopted the role of professional stranger (Ager, 1980), also known as outsider, which required an ‘attitude of principled doubting of social self-evidence’ (Hitzler, 1988, p. 19).

Data collection and analysis
To carry out the research done for this paper, sixteen of Accenture’s HR executives and managers were interviewed in July and August 2007. For these interviews a semi-structured questionnaire was used. Additional questions were asked in February 2008, also using the semi-structured questionnaire format. The executives and managers interviewed work for the company’s Argentina, Brazil, China, India, Latvia and Slovakia branches, which means that each of the three emerging continents was included with two representative countries, as detailed in Table 1. All interviewees themselves originate from these emerging countries and hold positions that include responsibility for staff retention there. These telephone interviews, each of an hour and a half, were taped and fully transcribed. In addition, information available in the public domain, such as annual reports and newspaper clippings, was included for this study.

<table>
<thead>
<tr>
<th>#</th>
<th>Role</th>
<th>Level</th>
<th>Date of interview</th>
<th>Geography</th>
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<tbody>
<tr>
<td>1.</td>
<td>Country HR manager</td>
<td>Executive</td>
<td>August 7, 2007</td>
<td>Brazil</td>
</tr>
<tr>
<td>2.</td>
<td>General HR manager</td>
<td>Executive</td>
<td>July 19, 2007</td>
<td>India</td>
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<tr>
<td>3.</td>
<td>General HR manager</td>
<td>Executive</td>
<td>August 7, 2007</td>
<td>Brazil</td>
</tr>
<tr>
<td>4.</td>
<td>Recruiting manager</td>
<td>Manager</td>
<td>July 20, 2007</td>
<td>Latvia</td>
</tr>
<tr>
<td>5.</td>
<td>Country HR manager</td>
<td>Executive</td>
<td>August 7, 2007</td>
<td>Slovakia</td>
</tr>
<tr>
<td>6.</td>
<td>General HR manager</td>
<td>Executive</td>
<td>July 25, 2007</td>
<td>China</td>
</tr>
<tr>
<td>7.</td>
<td>Recruiting manager</td>
<td>Manager</td>
<td>August 1, 2007</td>
<td>China</td>
</tr>
<tr>
<td>8.</td>
<td>Recruiting manager</td>
<td>Manager</td>
<td>August 2, 2007</td>
<td>Argentina</td>
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</table>
The interview transcripts and responses to the questionnaires were read and reread to identify the contribution of the Accenture HRIS to staff retention by capturing the ideas and phenomena described by interviewees. Data analysis was conducted in three stages: preliminary analysis, formal analysis and final data analysis (Rubin and Rubin, 1995, page 226). Of these, the preliminary analysis was already carried out during the interviews. Afterwards, the information obtained was subjected to an interpretative analysis in order to structure it so that it would match the research question. This meant coupling theoretical concepts with the empirical data collected. The consolidated conclusions of all sixteen interviews were then used as input for the final data analysis, as detailed in this paper. This was an iterative process that relied on the use of ’descriptive’, ‘interpretative’ and ’pattern’ codes (Miles and Huberman, 1994, p. 57).

Case study description
Accenture began in the late 1940s as Arthur Anderson & Co. It transformed into an independent business unit called Anderson Consulting in 1989. The decision to rename the company Accenture was taken in Augustus 2000 and became effective per 1 January 2001 (Accenture, 2005). The company focuses on service delivery, both in the field of management consulting and that of technology and outsourcing services. Each division has its own characteristics. Management consulting work usually has short contract periods and is by definition carried out on the clients’ board and senior management level. Technology and outsourcing services are delivered with much longer contract periods: 36 months is not unusual for outsourcing contracts, nor is 12 to 18 months for the implementation of an IT system. Of course, this has consequences for the HRIS needed.

This study focuses on the HRIS of the company’s technology and outsourcing services branch, since that is where most growth takes place in emerging markets. Also, Accenture plans to achieve its
future growth especially in this area. The biggest difficulty in realizing these growth objectives is retaining its staff – a problem much greater than that of recruiting new employees. Says the Indian HR executive [9]: 'Accenture India processes about 40,000 CVs every month. [...] We have industrialized the entire process of making offers, up to senior manager level. Only at senior executive level will we look at it more flexibly. Recruiting is relatively repeatable and predictable.'

Much the same came from his Argentinian, Brazilian and Chinese colleagues. In these countries Accenture has more than a thousand employees working in technology and outsourcing services. As in India, size has forced them to industrialize their recruiting process. In countries where the operation is smaller, however, recruiting does require attention if the company’s growth targets are to be met. According to the Latvian HR executive [10], recruiting is ’not easy, to be honest.’ And her colleague [4] adds: ’Accenture was only established in Latvia 5 years ago. We now have around 280 people.’ Their smaller size makes Accenture less visible in Latvia and Slovakia, which renders recruiting new staff more difficult. All national subsidiaries do of course profit from Accenture’s international reputation. According to the Indian HR executive [9], people join Accenture because it is ’a global brand, and we are not new in India. [...] Our name is well known in the market. [...] And people believe that because we are a large global organization, we get better engagements. Our engagements are indeed very large, with end-to-end service delivery responsibility.’

Results

The most important cause of staff turnover is the growth of other companies, especially in emerging economies. The Chinese HR executive [6]: 'Accenture was the first multinational company in Dalian. So we could recruit people with seven years of experience. But after a year, when other multinational companies came to Dalian, they left Accenture.’ Newly established companies need experienced staff to make a flying start. Such experienced employees must be recruited from the local labor market, which influences the staff retention of the companies already established there. It is exactly like this that Accenture India grew from 200 employees in 2001 to more than 38 thousand in 2007. The Indian HR executive [9] explains: 'There are differences between the hiring strategies of purely Indian companies like Infosys or Wipro and those of IBM or Accenture. Some 70 % of Accenture’s recruits are experienced people, while 30 % of them are drawn straight from campus. Purely Indian companies have a reversed mix: about 30 % with work experience and 70 % straight from campus.’ Companies in emerging markets must therefore arm themselves against the attraction of their competitors if they are to realize their growth targets.
Accenture, too, faces employee turnover. To what degree, the interviewees cannot tell since this is considered sensitive information in the company’s competitive environment. They were willing to provide qualitative information, however. The most striking similarity between their six countries is that fact that there is much more turnover among employees with less than five years’ experience than among those who have more. And in all six countries remuneration and career opportunities are the most important reasons to leave the company. Regrettably, the research material offers no basis on which to distinguish between men and women or between IT staff types such as new graduates and experienced professionals. Some other insights were gained, however – for instance on the short-term outlook shown by young professionals in Argentina. The national HR manager [11] explains: ‘Although most of them say they are very happy working here, salary increase is their most important focus. They are young and have nothing to lose. They don’t take the risks involved in making a change to a smaller company that is less stable and lacks training programmes into consideration. They think of today only.’ In Brazil, more or less similarly, getting better training opportunities proved not to be a key incentive for leaving Accenture either, at least as perceived by the interviewees from that country. By contrast, in other countries it was found that busy schedules working for clients, which made it difficult for employees to actually follow the training programmes they had been assigned to, was a reason to leave the company. No explanation has been found for this discrepancy yet. Finally, it turns out there are important differences between the countries with respect to the urge of their employees to work with the latest technology. Doing so was an important retention motive in all countries except China. This, too, has yet to be explained, but perhaps the dominance of legacy applications in the portfolios of Chinese service providers plays a role.

HRIS system conditions
As we have seen, HRISs can facilitate retention management. But when can an HRIS be said to be successful? Haines and Petit (1997; page 263, Figure 1) researched the conditions for successful HRISs and found three items to be the most important: the competences of the HR professional (‘individual/tasks’), the way in which the HR department has been organized (‘organizational’) and the application itself (‘system’). They also note that ‘user information satisfaction’ is a consequence of the HRIS’ success and causes it to really be used. To which degree does Accenture meet the eleven system conditions identified in Haines and Petit’s model? An assessment is presented in Table 2.
Table 2. Haines and Petit’s HRIS system conditions and their applicability to Accenture (Haines and Petit, 1997)

<table>
<thead>
<tr>
<th>System conditions</th>
<th>Accenture’s HRIS</th>
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<tr>
<td>1. Involvement</td>
<td>Both the HR and the IT communities are deeply involved in the HRIS development and implementation process. The global Accenture HR team and the regional and country HR teams regularly consult to decide on adaptations and improvements intended to ensure a continued match between the HRIS and the needs of the company’s business and HR managers.</td>
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<tr>
<td>2. Training</td>
<td>All HR staff, business managers and employees receive sufficient training on how to use the HRIS. Most training courses are web-based. When new functionalities are implemented, conference calls are often held to inform those involved on the changes and the way the HRIS now works.</td>
</tr>
<tr>
<td>3. Support</td>
<td>As Accenture has a skilled helpdesk and qualified support staff, and since it implements the concept of key users, support for the HR staff is sufficient. This support consists of regional Administrative Shared Service Centers that focus primarily on the execution of administrative tasks and making HR reports.</td>
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<tr>
<td>4. Documentation</td>
<td>The company’s HRIS documentation has not been assessed. No conclusions can therefore be drawn.</td>
</tr>
<tr>
<td>5. Application Development</td>
<td>The HRIS application is an SAP-based, in-house solution with extensive web functionalities and a good match with the requirements of the company’s business and HR managers.</td>
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<td>6. Dependence</td>
<td>The HRIS application is maintained by Accenture’s own IT staff. They manage and maintain it by ‘remote-control’, which means that dependency is very limited.</td>
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<tr>
<td>7. On line</td>
<td>All functionality is on-line: there is a web interface and its users can use the application interactively. The HRIS also includes self-service functionalities for both managers and employees.</td>
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<tr>
<td>8. Access</td>
<td>All HR staff have access to the HRIS, ‘anywhere, any time’, through a web interface. The company’s internal IT staff facilitates this access.</td>
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</table>
9. Applications

The HR staff has access to the applications of the HRIS on the basis of ‘need to have to execute their tasks’. Access authorization is given from a central level. The employee’s role and work level are the determining factors.

10. Ease-of-use

Ease-of-use is very good because of the web interface for HR staff, managers and employees, but also because of the extensive reporting facilities.

11. Usefulness

De HR staff perceives the HRIS as useful. This is especially because of the high degree to which its functionalities have been integrated with each other.

Let us take a closer look at some of these system conditions. For one, Accenture has a globally integrated HRIS. This integration enhances the quality of its services and its cost effectivity. Only in the fields of scheduling and recruitment & selection have the company’s applications not been globally integrated. The reason is that the HRIS solution for these areas, called ATAS, is based on the requirements of the company’s management consulting division. For the technology and outsourcing services division its use is rather limited, especially in the larger Asian subsidiaries, where immense numbers of job applications have to be processed each month. With Accenture India in the lead, these countries (including China and the Philippines) have therefore developed their own scheduling and recruitment & selection solution called ABACUS. Of course, ABACUS has been provided with interfaces with the company’s global HRIS. According to the Indian executive [13]: 'It is of key importance for us to achieve a very tight integration between demand management and recruiting and resource management. We require one seamless integrated tool that gives us transparent insight into the entire life cycle.' In addition, the interviewees from especially Latvia and Brasil indicate that the standardization provided by the company’s HRIS contributes positively to their staff retention efforts, partly because it lowers their costs to serve. The Brazilian General HR Manager [3]: ‘Let me be very clear, standardization of the HRIS is also very important for decreasing Accenture’s HRIS costs.’

Another interesting aspect is the fact that many of the administrative tasks that cannot be executed by the company’s shared service centers are carried out by the managers and employees themselves,
using self-service systems. This not only lessens work pressure and increases HR service levels, it also effects a greater involvement of the company’s managers and employees with its HR policies and their execution.

Finally, of the countries investigated, only Argentina, Brazil and China handle their payroll activities themselves. In the company’s other subsidiaries this is done by external partners, who use the data in the SAP application to pay the employees their salaries. The choice between insourcing or outsourcing one’s payroll is made per country, on the basis of a business case. The diversity in this field and the legal complications involved have made it necessary to do so.

**HRM activities and Accenture’s HRIS**

For the purpose of retention management, the following HRM activities are most important: scheduling, education & training, performance management & talent management and compensation & benefits. In Table 3 the link is made between these activities and the Accenture HRIS application suite. Most applications need no further explanation; one or two remarks will suffice. Celebrating Performance is an application that enables business managers to reward professionals extra. The budget available to do so depends on these managers’ position within the organization. MyHoldings registers the stocks held by Accenture employees and facilitates their transactions. It also enables the company to offer its employees stocks against reduced rates, and to reward exceptional performance with extra stocks.

**Table 3.** HRM activities and the functionalities of the Accenture HRM application suite

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<th>HRM activities</th>
<th>Accenture HRIS application suite</th>
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<tr>
<td></td>
<td>ATAS</td>
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<tr>
<td>Recruitment &amp; selection</td>
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<td>Scheduling</td>
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<td>Education &amp; training</td>
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<tr>
<td>Performance management &amp; talent</td>
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This paper focuses on the functionalities of the company’s HRIS that are relevant to retention management. These functionalities will now be analyzed, taking in account the differences between the countries where the interviewees work.

**Scheduling**

Scheduling is an important aspect of retention management since it allows the company to assign employees to work that suits their development. Job rotation is important here: every employee is given a new role every 18 or 24 months. And of course, care is taken of their professional development and growth in the meantime too. In doing so, Accenture tries to match the employee’s personal preferences. The HR executive from Argentina [11] confirms this: 'We try to know our people’s preferences. When we staff a project we always take these into consideration. If people ask for a change we try to give them one, for example by offering them work in another part of the company. But sometimes the nature of their work makes it very difficult to find another option, something that would suit their needs better. In such cases people often leave Accenture.' In this respect, Argentina proved no different from the other countries investigated.

Another important aspect in scheduling is the distance between work and home. There are major differences between the countries in this field. In India, for example, working on other locations and moving abroad for one’s work offers status. Not so in China, where only junior employees are willing to travel. Once Chinese IT professionals have established themselves somewhere, they are very reluctant to move. Most other countries are rather more like China than India. But even in India the employees’ social environment exerts some pressure on them to find a job near their home town ultimately. Says the Indian HR executive [2]: 'Therefore Accenture has offices in Bangalore, Mumbai, Delhi, Hyderabad, Pune and Chennai.'

In their weekly scheduling calls the company’s HR and business managers confer on the assignment of their people. They establish estimates of the future requirements of each client and decide which
employees will be used to staff each project. The MyScheduling tool enables these managers to take account not only of each employee’s availability but of their competences, their agreed professional development and their experience. Using this tool, these managers can do their work decisively. For these weekly scheduling activities, the HR managers have more information available than only that directly concerning employees and their availability. A Chinese HR executive [14] explains: ‘We can use MyScheduling to obtain information about projects anywhere, and managers in other locations can look into our staff and their résumés too. We can assign our resources to projects outside China, rather than to Chine Delivery Center projects only. Actually, we only use MyScheduling to see project information from other locations and to show our resources to managers working on other locations.’ This HRIS functionality is considered very important by the interviewees, especially since increasing numbers of global engagements require staffing. These can be used for staff retention purposes. Brazil’s general HR Manager [3] explains: ‘It is important for us to be able to offer our employees ‘more interesting assignments’ and ‘better growth perspectives’, and the HRIS helps us to do so.’ The answers in the questionnaires show that not all countries find this such an important feature, however; the Latvian HR department, for instance, does not seem to value it so highly. The difference can perhaps be explained by the larger size of the Brazilian subsidiary as well as its higher level of maturity.

**Education & training**

Supporting employees in realizing their professional development targets is the aim of the education & training tool. As such it contributes significantly to retention management. All interviewees agree here. Globally standardized curricula for defined organizational profiles are offered through the company’s HRIS. This means that employees who have taken such training courses can be assigned to Accenture subsidiaries in other locations than their home countries too. They become more exchangeable and their training and development opportunities are improved. The Latvian Country HR Manager [3] believes that ‘the training functionality in the HRIS contributes positively to retention management.’ This doesn’t mean there are no differences between the countries, of course. For every country Accenture has made their own standard curriculum available that trains people for a specific role. And every country can add local training courses of its own. All these functionalities are united into MyLearning. Employees use a web interface to sign up for training (both in classrooms and computer-based), and they are scheduled for them and notified of their scheduling through this interface as well. In addition, the application is coupled to the MyPerformance application, through which the agreements made with every employee can be monitored.
One aspect in which there are differences between the various countries is in their preference for classroom or computer-based training. Classroom training is preferred everywhere, except by the Chinese. The local HR executive [6] explains: ’All courses are in English, and while the Chinese are of course quite capable of learning English, it takes extra time. It is more difficult for them than for, for instance, people from India. And if the language is a barrier, it is harder to understand the content too. It simply takes them longer. Therefore they like to have more training online before taking classroom training: to make sure they understand the content.’

India is really the only country that sends its employees abroad regularly to take classroom training courses. For all other countries this is too expensive, so they send only their management-level high potentials. The Argentinian HR manager [11] explains: ’Very few of our people train abroad. It is very costly for us to send people elsewhere, so it really isn’t an option in most cases. Some travel to Brazil, since it is relatively close by, but sending people to Europe or the US is just too expensive. We do this only for some people at management level, to acknowledge that person’s value to us, but even at that level it isn’t for everyone.’ Labor shortages may, however, change this situation in the longer term.

Compensation & benefits

All interviewees agree that remuneration is an important factor in retention management. In most of the countries investigated, people who leave the company often do so to move to its competitors when they offer higher salaries. But money is not the only argument. In Argentina, for example, the situation is slightly different. Its HR executive [11] explains: ’The most important aspect here is salary, compensation. But for many this argument is followed closely by the nature of their work or its location. We have seen people leave who wanted to continue to work in a systems environment, but in another town. Others leave to start work in a completely different field, or to start their own business.’

With respect to remuneration, Accenture’s Chinese subsidiary has an extra challenge to face. ’Many international companies use only one single salary scale for the whole of China,’ the Chinese HR executive [6] explains, ’even though salaries in for example Shanghai are normally 20 to 30 % lower than in Dalian. This distorts the labor market. It means we have to put in much effort to retain our people.’ Because of such situations, Accenture takes local salary differences into consideration when determining its sourcing strategy and scheduling process. ’Our solution is to recruit in Shanghai for project staffing, and in Dalian for the lower-cost employees needed for maintenance and some long-term contracts only’, the executive continues.
Where money is the primary argument, other means than only salaries may nevertheless be chosen. Long-term bonuses, for example, are often used in India to retain employees for their engagements. The country’s HR executive [9] tells us how: ‘Such bonuses are related to various milestones along the contract period of long-term outsourcing deals, with the intention of keeping our staff from rolling off the project. For long-term projects, bonuses represent about 5 % of the payroll budget.’ Bonuses are always paid together with the employee’s regular salary payments.

Then there are Accenture’s tools Celebrating Performance en MyHoldings. These global applications contribute significantly to the company’s retention of its employees. Celebrating Performance allows the company to give ‘credit points’ to employees whose performance has been above expectation. It is used especially in developing countries, since these credit points are worth more there than in the West. Another advantage of this HRIS functionality is that it can be used at any time of the day. An HR manager from Argentina [3] says about Celebrating Performance: ‘Personally, I like it because I think it’s a very good way to motivate people. They don’t have to wait until their evaluation meetings or for their managers’ regular feedback moments to get recognition for their work attitude or whatever it is that their supervisors want to applaud. For me it’s really good. We are helping each other use it and do our best to motivate people to do so too.’ The application now functions well, but it had a difficult start because its intended use hadn’t been well communicated about. MyHoldings facilitates the administrative processing of stock sales by the company’s employees. Since employees get special rates when they buy stocks, many consider this a valuable fringe benefit that influences the way they feel about working for the company. There are no differences between the countries investigated here with respect to how such benefits are perceived.

**Performance management & talent management**

A central role in performance management & talent management is played by career counselors. Every employee has their own counselor, who supports and coaches them in determining and realizing their individual objectives. These counselors are the employees’ first point of address and should represent their interests vis-à-vis the company.

Every employee’s individual development objectives are laid down in Accenture’s MyPerformance application. Latvia’s HR executive [4] considers goal setting ’an issue’: adapting targets once they are laid down is difficult, but considering the dynamics of the tasks carried out by the company’s employees it must be done. The conclusion must be that the resulting heightened administrative load for both counselors and employees does not contribute to staff retention.
Let’s take a closer look at the goal setting process. Once per year, career counselors discuss every employee’s objectives as part of the company’s global HR process. Agreements are also made on which training courses to take. One important change considering development trajectories happened relatively recently: the concept of ‘up or out’, that had been used for years, was relinquished. Especially in the case of technology experts this concept often just didn’t work, so an alternative way of setting targets was devised. For such specialists, several development trajectories have been set up. Thus, qualified experts – and especially those who do not have management ambitions – can be retained and offered a career in a way that is valuable for both themselves and the company.

Career counselors help their councilees steer their careers. By doing so, they also increase the employees’ commitment to Accenture and so contribute significantly to staff retention. Therefore, having career counselors is important. Accenture’s HRIS offers the functionalities for their work. According to the Indian HR executive [11], the efforts of their career counselors are measured too: ‘At the moment, we are trying to measure our employees’ satisfaction through a survey.’ This fits in with the industrialized approach to HR implemented in India. Accenture China has opted for a positive stimulus: ‘We have an award for the best counselor. Also, we have an award for innovative ideas. [...] We use staff surveys to find out about both: we ask people to vote for the people they believe are good, and to evaluate innovative ideas to determine their value.’

Obviously, career counselors are not the only ones responsible for increasing and maintaining the commitment of the company’s employees. Managers play a major role too. According to the Indian HR executive [2], salary is not the solution. 'In this type of demand market, people connecting to people is the key. Personally, I believe that at the end of the day people work for people. They don’t work for Accenture or IBM. It is the people around them that are important. They work for their manager, their colleagues. They interact with them every day and to them they are the ones who represent Accenture - not the company’s top managers. The employee’s direct environment is important, because these people have a direct influence on them. You must have a good management connection with your people. That helps. So we have programs to connect to our staff: Town Hall meetings, project meetings. Some are off-site. This type of thing helps retain your staff. You have to understand the aspirations of the people, apart from the money.’

CONCLUSIONS
On the basis of the interviews held for this paper the conclusion may be drawn that the HR executives we talked to are satisfied with the integrated functionalities offered by Accenture’s HRIS. Especially the globalization of the staff’s assignments renders it important to prevent employee
turnover. And the HRIS offers support here, including scheduling and training. The web interface offering self-service facilities for both managers and employees is appreciated too. It is considered a contribution to staff retention since it enables these managers and employees to direct their Accenture careers themselves, and to do so at a time suitable to them. The interview results therefore allow the conclusion that having an HRIS contributes positively to retention management in emerging markets.

Accenture’s HRIS supports the company’s industrialized HR processes in the most cost efficient way. That means that the HR department’s function has in fact changed to developing and maintaining the company’s organizational effectiveness (Roehling et al., 2005). The Indian executive we interviewed summarized this conclusion as follows [13]: ‘Service providers should take an industrialized approach combining human effort and fact-based management. Closely monitoring human efforts pay off. […] A highly standardized and integrated HR application portfolio supports retention management as there are hardly any differences per country. It also lowers the cost to serve of the HR application portfolio.’

Nevertheless, all those interviewed agree that one aspect deserves improvement. In the words of the Chinese HR executive [16]: ’In my opinion the system could do with more functionalities for data analysis. So far, I think the system is OK, but if we could provide better data analysis facilities it would be better still.’

References


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