UNIVERSITY OF SWAZILAND

DEPARTMENT OF BUSINESS ADMINISTRATION

MAIN EXAMINATION PAPER

DECEMBER, 2016

TITLE OF PAPER : STRATEGIC INFORMATION SYSTEMS

COURSE CODE : BA 502

TIME ALLOWED : THREE (3) HOURS

INSTRUCTIONS: 1.   THE NUMBER OF QUESTIONS IN THIS PAPER FIVE (5)

2.   SECTION A IS COMPULSORY.

3.   ANSWER ANY TWO (2) QUESTIONS IN SECTION B

4.   THE MARKS TO BE AWARDED FOR EACH QUESTION ARE INDICATED ALONGSIDE THE QUESTION.

NOTE: MARKS WILL BE AWARDED FOR GOOD COMMUNICATION IN ENGLISH, AS WELL AS FOR ORDERLY AND NEAT PRESENTATION OF WORK. FURTHER MARKS WILL BE AWARDED FOR USE OF RELEVANT EXAMPLES.

SPECIAL REQUIREMENTS: NONE

THIS PAPER IS NOT TO BE OPENED UNTIL PERMISSION HAS BEEN GRANTED BY THE INVIGILATOR.

WHO ARE OUR EMPLOYEES?

Employees are most important resources of any organisation, and such must be managed well. Executives at Canada Post knew that, and also realized that they did not have the proper tools to manage human resources effectively.

Canada Post, the national postal services, is Canada's seventh largest employer, with 70, 000 employees. As in the United States, if is facing increasing competition from private carriers such as FedEx and UPS. Competition has eroded profits. It was clear that competitors had much better information systems than Canada Post.

Its own system was not integrated or flexible enough to cope with a fast –changing industry. Jamie Esler, a general manager in Canada Post's human resources department, admitted growth rates were slowing down.

The HR department owned "legacy" ISs that could not communicate with each other. Managers found the outdate ISs difficult to use. To ease difficulties, the company outsourced some HR management (HRM) functions to other companies. However, this did not help keep the company competitive.

Scheduling payroll was a constant challenge. So were other tasks, such as selecting employees with certain qualifications for certain positions. Executives wanted to be able to answer questions such as: how much does employee turnover cost us annually? How can we make a better use of employee skills to increase efficiencies? They could not answer such questions.

They realized they had to take drastic measures. The HR ISs were so inefficient that investment in a new integrated HR software package would certainly pay for itself within a short period of time.

Management approached SAP, a leading vendor of enterprise application. SAP was to implement a new HRM system. One important component of the new system would be the human capital management (HCM) system. That was several years ago. HRM looks completely different now.

Now, managers at Canada Post's HR department track employee skills, training priorities, workforce scheduling, and a long list of other employee-related issues. The company stopped its contracts with vendors to whom it had outsourced HRM function, and by so doing saved millions of dollars annually. All HRM functions are integrated through the new system: payroll, training, employee evaluation, promotion, and other Canada Post is using HCM as a strategic tool to build stronger teams.

Employees can take online remote training sessions. Their scores are recorded, and when they complete courses, their new skills are automatically recorded in the HCM database. When an HR manager looks for certain skills for new position, it takes oOnly seconds to "fish" the records of qualified employees. In the long run, executives hope the integrated system can help build a cadre of new leaders for the company by staffing according to desired technical and leadership skill as they are reflected in the HCM system.

The integrated system relies on a single repository of employee information to help managers analyse human resources needs. HCM supports workforce planning (forecasting growth or downsizing), acquisition (recruitment and procurement of part-time or temporary help), management (training, performance management, and succession planning), and optimization (putting the right people in the right jobs at the right time). This helps managers at Canada Post make intelligent decisions about employees and what they should be doing both in the near and farther future.

The new system helps not only managers but also employees. Through an intranet (an organization's internal communication network using web technologies), employees can access the company's HR portal. They can view their own data, such as their medical benefits, vacation time, e-learning opportunities, and recent performance reviews. This cuts HRM cost because employees can do much by serving themselves rather than turning to the HR department for help.

It also increases an important intangible benefit: employee satisfaction.

QUESTIONS

1. Give three examples of HRM activities that require access to an employee record. How could an organisation benefits from integrating these activities so they can be done using a single IS? – 25 marks

2. The HCM system helps plan human resources. Give an example of how you, as an HR executive, would use the system for HR planning at a manufacturing plant. – 25 marks

Main

Answer any two questions

Question 1

Discuss the principles that promote effectiveness in designing and implementing an IT governance initiative.   25 marks

Question 2

Discuss the leadership approaches to the role of IT at the Factory stage.   25 marks

Question 3

Kukhanya IT Company has been engaged by government to set up the computer system in the government offices. What are the risks that Kukhanya has to consider before they implement the project?   25 marks