Bachelor research:

HRM and e-HRM in Kuwait and the e-HRM readiness in Kuwait

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Preface

This is a research for the bachelor Business Administration at the University of Twente. The subject of the research is: HRM and e-HRM in Kuwait and the e-HRM readiness in Kuwait. The research was executed during a four month stay in Kuwait.

The start of this research was with a literature review with the purpose to get a good view of the specific HRM, the e-HRM and the e-HRM readiness in Kuwait. After that there were six interviews with HR-managers from different companies. There is not enough literature about HRM and e-HRM in Kuwait and that is the reason for this research. It will give the reader more information about that specific situation in Kuwait. Next to this it gives the reader more information about the situation of HRM and the HRM practices in Kuwait and it shows how far Kuwait is with the Human Resource Information Systems. An extra dimension is the part about to what extend Kuwait is ready for e-HRM. At the end of the research there will be an overall conclusion of the three aspects.

The completion of this research would not have been possible without the support of some important people. I would like to thank all those who have assisted me in this research, particularly my supervisor, Dr. Huub Ruël, for his guidance and for the valuable feedback.

I would also like to extend my thanks to the Exact Software staff in Kuwait for their support and assistance. I would like to express my thanks to Exact Software Kuwait General Manager, Rami Kichli, and for Miral Bsesso for their support and patience.

I would also like to acknowledge the people I interviewed in writing multiple qualitative case studies. I would also like to thank all the people I had forget in my acknowledgements.

Kuwait, August 2009

<div align="right">Luke te Woerd</div>

(Management) Summary

This is a research about the Human Resource Management, the e-HRM and the e-HRM readiness of companies in Kuwait. The purpose of the research is to get more insights of Human Resource Management in Kuwait and give the readers more information about the situation in Kuwait. There is not enough literature about HRM in Kuwait, so this research will give a good view of the HRM, the e-HRM and the e-HRM readiness of companies in Kuwait.

In the research the following interview questions have been answered:
Main question: *"What are the characteristics of HRM in Kuwait? And to what extent are companies in Kuwait ready for e-HRM?"*

And the sub questions:
- "What is HRM and e-HRM?"
- "What are the characteristics of HRM and e-HRM in Kuwait?"
- "What is e-HRM readiness and to what extend is Kuwait e-HRM ready?"

The findings are based on the interviews with the HR-managers from the following six companies: Al-Sayer Group, Golfcryo, Caribou Coffee, Independent Petroleum Group, Diyar United Company and Yiaco Medical. The companies are very diverse and they are selected with the purpose to get a representative mix of companies in different sectors, originally from different countries and with different sizes.

To analyze the HRM, e-HRM and the e-HRM readiness were several models, types and practices used. The research takes care of the following aspects of HRM: inflow of personnel, run-through of personnel, outflow of personnel, Harvard vs. Michigan model, contradiction between Personnel Management and HRM, types of HRM, e-HRM in Kuwait and e-HRM readiness.

Findings and conclusions

In their Human Resource Management, Kuwait tries to follow the countries in 'the West'. A few years ago HR-managers in Kuwait noticed that HRM became more important in companies and now Human Resource Management is improving and developing. The HR-managers are better trained, there are new HR-managers companies and more value is given to employees. HRM in Kuwait is still too much focused on Personnel Management and the aspects that could be improved in Kuwait are: strategic planning, focus on the psychological contract, importance of learning in the workplace, focus on the individual, importance of leadership & pro-activeness, a focus on line managers and an attention to measuring HR performance. For example the HRM in Kuwait could focus more on e-learning, could use e-HRM more and in a better way, could have better appraisal ways, measure the performances better and could be more strategic.

The e-HRM in Kuwait has the same problem and it is also clear that it needs to be developed and improved. The possibilities with e-HRM are endless, but a lot of companies in Kuwait do not use e-HRM in their companies or only use it as a database. The last years this improved and some companies switched to good ERP-systems with e-HR applications. The focus of e-HRM should be

more on e-learning and in the management of companies the Information Technologies will become more and more important.

The e-HRM readiness is good. There could be some problems with the organizational structure, but the technical infrastructure, the financial infrastructure, the expertise and the conditions are good. Due to the developments of HRM in the recent years, companies become more ready for e-HRM. One HR-manager said: "The development is still not far enough and there is not enough knowledge about HRM this can cause some problems for implementing e-HRM".

The overall view of HRM in Kuwait is that it gets more attention nowadays and gets more and more important. That results in the improvement of the HRM and the e-HRM, but there is still a long way of organizing to go.

Chapter 1: Introduction

This research project, for the bachelor Business Administration at the Twente University, is about the subjects: HRM practices and e-HRM in Kuwait. Another subject in this research is the e-HRM readiness of companies in Kuwait. The research was in Kuwait and there was an internship at Exact Software.

In this research the focus will be on the HRM and the e-HRM of local companies in Kuwait and it is about to what extent the companies in Kuwait are ready for e-HRM. The company in Kuwait, Exact Software, provided me with information and supported this research. They also arranged some interviews with local companies and gave me feedback on my research. But why HRM research in Kuwait many people asked?

The reason for that is because the Middle East is attractive (culture, tradition) and there is not much research and information about HRM in the Middle-East. It was also a big opportunity to go abroad. This research will give the reader more information about HRM in Kuwait. Of course there is some information about HRM in the Middle-East, but not much specific literature about Kuwait. There is also not much information about e-HRM in the Middle-East. With this research, the researcher tries to give the reader information about the two subjects. There will also be research on the e-HRM readiness in Kuwait and about this subject is nothing said regarding Kuwait. So with this research the researcher wants to give a good view of the HRM and the e-HRM scene in Kuwait. Analyzed will be the inflow of personnel, run-through of personnel (appraisal, reward, training and development) and outflow of personnel and there will be a research about e-HRM readiness.

To give the reader a short introduction about the subjects first an explanation of Human Resource Management and e-HRM from the internet will be given. A scientific and expanded explanation will also be given, but these short introductions into the two aspects will be useful for now.

There is much information about the subjects, but not for Kuwait specific. Human Resource Management (HRM) is a hot topic in business nowadays. It gets much attention and a good HRM is very important for the company and the employees. A short explanation of Human Resource Management is: HRM is the function within an organization that focuses on recruitment of, management of, and providing direction for the people who work in the organization. Human Resources deals with issues related to people such as: compensation, hiring, performance management, organization development, safety, wellness, benefits, employee motivation, communication, administration, and training. (site Human Resource Management)

An explanation of Electronic Human Resource Management (e-HRM) is: a way of implementing HR strategies, policies, and practices in organizations through a conscious and directed support of and/or with the full use of web-technology-based channels. (site Indian MBA)

1.1 Background

The company

Exact Software in Kuwait offered a place and supported the research. Exact Software empowers small and medium-sized organizations with fully integrated business software. Exact Software was established in Delft, the Netherlands, in 1984. Exact Software is one of the leading ERP software providers. Their solutions support: Financial, Human Resource Management, Customer Relation Management, Corporate Performance Management, Project management and electronic workflow. They offer one global product and a uniform level of service via a global network of subsidiaries in more than 40 countries. They operate worldwide and are presented in the following regions: EMEA (Europe, Middle-East and Africa), the Netherlands, Americas and Asia-Pacific. The organisation has 2,500 employees worldwide and customers in more than 125 countries.

Exact Software Kuwait has three departments: Sales, Consultancy and Support. The supervisor of this research is theGeneral Manager, Rami Kichli, and there is also a back office in the company. The business model of Exact is focused on three products and services: licenses, services and support agreements. So Exact Software Kuwait does not sell the hardware. They sell licenses to use the software and provide services to the customers. They also make agreements about support and this contract has an amount of approximately 20% of the value of the license.

The major licenses Exact sells are the licenses for the software solutions: *Globe* and *Synergy*.

- *Globe*

Globe is software for Enterprise Resource Planning. Exact globe consolidates every (valuable) aspect and asset of a company in one place. As a result that all the information is all the time accessible for all authorized persons. The employees log in to the system, the suppliers are able to see your stock and customers use their own portal to contact customer support. With one central database, internet enabled, offers you much capabilities in the areas of ERP, HRM, CRM and much more.

- *Synergy*

Exact Synergy provides employees, customers, suppliers
and partners with access to information across the entire organization. It gives reliable and real-time insights into all processes that are relevant for business decisions. The information is always linked to workflows, projects, resources, plans, emails, documents and any other relevant sources and companies have access to Synergy through internet.

Synergy has much advantages for the aspect HRM, some advantages are: immediate views into day-to-day operations from anywhere at any time, control access to projects and documents through roles, give more employees access to critical information, get better insights in employee workflow and performance and it automate and accelerate your hiring process.

Exact has also developed an implementation methodology, ROI5, it takes care of any relevant criterion from the number of sites and required time for completion up to the educational level of the organization's employees. Exact chooses the right implementation model (parallel, sequential, competence center) and then runs five phases to size up the project. ROI5 gives customers control and they are able to manage lead-time and budget. The ROI5 guarantees five returns on your efforts: Return on Internationalization, Return on Integration, Return on Information, Return on Implementation and Return on Investment. (Exact International, 2009)

The country

This bachelor thesis is made in Kuwait and here an explanation about the country will be given. Kuwait lies at the north-west corner of the Arabian Gulf. To the north and the west it hares a border with Iraq, to the south and the south-west it shares with Saudi Arabia and in the east it has a coastline on the Arabian Gulf. Kuwait is located in the Sahara geographical region. Arabic is the official language of Kuwait. English is the language for the business people and in tourism. A very impressive time in history was the war and the independency. In 1961 Kuwait became independent from Britain. In 1991 and 1992 Kuwait was in a war with Iraq and on twenty-seventh of February 1991 the Persian Gulf War ended.

Kuwait is an independent and sovereign Arab state. It is a constitutional monarchy, governed by the al-Sabah family and follows a democratic system of governance. The head of the state is called the Amir. (Kuwait Info, 2009)

Kuwait has an open economy and has huge crude oil reserves. Oil is very important in Kuwait and petroleum accounts for nearly half of Gross Domestic Product, 90% of export revenues and 5% of government income. Kuwait has limited arable land, which limits the agricultural development. The unemployment rate is 2.2% and there are 1.167 million labor forces in Kuwait. Non-Kuwaitis represent about 80% of the labor force. The government and social services employ 50 percent of the labor force, businesses employ 40 percent, and the remaining 10 percent are employed in agriculture. The Gross Domestic Product of Kuwait is $138.6 billion and per capita income is this $55,300. So it is the third richest country in the world. With a GDP growth rate of 5.7%, Kuwait has one of the fastest growing economies in the region. (Indexmundi, 2005)

Approximately 90% of the population is Muslim and the other 10 percent is Christian. From the Muslim, the largest group is Sunni (70%) and the other is Shi'i (30%). There are many minority groups, such as Arabs from India, Pakistan, Iran and Palestinians. "Real" Kuwaitis represent 25%, but this group is rising. (Looklex, 2009)

1.2   A short introduction of HRM and e-HRM

In the literature there is much information about 'the state of the art' HRM. Much articles give good explanations for HRM and e-HRM, but the best, strongest and clearest definition of HRM for the researcher is the definition of Bratton & Gold (2003): "a strategic approach to managing employment relations which emphasizes that leveraging people's capabilities is critical to achieving sustainable competitive advantage, this being achieved through a distinctive set of integrated employment policies, programmes and practices" (Bratton & Gold, 2003). It is a clear and complete definition. Some of the fields of HRM are: HR planning, recruitment & selection, training & development, performance evaluation, rewarding & remuneration, career development, employer-employee relations and sickness policies (Riemsdijk, Bondarouk & Knol, 2006).

A clear definition of e-HRM for the researcher from Bondarouk and Ruël (2009) is: 'an umbrella term covering all possible integration mechanisms and contents between HRM and Information Technologies aiming at creating value within and across organizations for targeted employees and management'. To make the definition clearer and shorter the next definition of e-HRM by the researcher will be used: e-HRM supports and automates HRM processes through the use of IT.

But why so much attention for HRM in companies and in the literature? A good HRM can be good for the results of companies and it is difficult for the competitors to copy. there will be created a competitive advantage through people.

So the literature gives some advantages of HRM. Guest (1997) formulated a theoretic model about the link between HRM and performances. HRM practices are determined by the HRM strategy. This HRM strategy leads to certain HRM results. The HRM results determine through a few behavioral outcomes (motivation, cooperation, commitment) the performances in terms of productivity and quality. These performances lead to the financial results.

HRM is a new phenomenon and companies are focused more on HRM the last years. More about HRM and performance in that specific paragraph but the four mutually reinforcing developments that pushed HRM forwards are:
-   The globalization constrains to radical strategic changes. Management has become change management.
-   Flexible organizing becomes more critical
-   Work smarter is the only answer for the upcoming economies.
-   The interest among managers in the importance for talent development rise.

(Schuiling, Heine, Bogaart, Keuzenkamp, 2006)

1.3   HRM versus Personnel Management

Because of the developments mentioned above, HRM developed and became an important development in Personnel Management. There is a big difference between HRM and Personnel Management. Some people are talking about HRM when they mean Personnel Management and otherwise. There is a huge difference between HRM and Personnel Management. So the question is if Kuwait is more HRM oriented or is it more focused on Personnel Management? These differences can indicate the characteristics of HRM in Kuwait.

The core of Personnel management is the search for the best method to function and the stimulation of the performance of the personnel. The core of HRM is that personnel is crucial for the success of companies. We are talking about the performances, the prosperity and the business success in terms of economic profits.

HRM should be seen as a development in Personnel Management. The biggest differences between these two are the period of time and the way of decision making in the personnel policy (Guest, 1987).

1.4   Research strategy

In the first stage of the research the research questions were formulated and literature was found. There is much information about the two subjects (HRM and e-HRM) in scientific articles. The literature review will enhance literature from the internet and from digital articles. There will be interviews with HR-managers and these interviews will be used for the chapter findings. With the information from Exact Software, the literature and the interviews the research questions will be answered and the reader will get more insights in the subjects of the research.

1.5   Research questions

The main question of this research is:
"What are the characteristics of HRM in Kuwait? And to what extent are companies in Kuwait ready for e-HRM?"

The sub questions are:
-    "What is HRM and e-HRM?"
-     "What are the characteristics of HRM and e-HRM in Kuwait?"
-    "What is e-HRM readiness and to what extend is Kuwait e-HRM ready?"

1.6   Research structure

The research consists of seven chapters. The first chapter is an introduction into the subject and the research. The second chapter is the literature review. The researcher will give some (short) introductions into the subjects, the approaches etcetera. The third chapter is about the Methodology; here you can read more about the research strategy, the data collection & selection, the sample size, the literature and the selected companies. Chapter four is about the findings of the research. The conclusion, discussion and recommendations are in chapter five. In the last two chapters are the references and the annexes.

Chapter 2: Literature review

2.1   HRM

The first part of this chapter is about HRM and the last part of this chapter is about e-HRM. This paragraph will have more information about HRM in general. Humans are considered as very important forces in companies. Nowadays Human Resource Management (HRM) is a hot topic and it has a great value for companies. Companies should consider HRM as a valuable source for business success and not as unpleasant expenses. Many people talk about HRM in daily life, but what is HRM exactly? What drives this interest in better management and Human Resources in companies? The answer is the new expansion of markets that Middle Eastern and African businesses are facing. It is a competitive challenge that the countries have not encountered before, as well as a connection that is surfacing between HRM practices and the new business strategies being driven by these global market forces (Murphy, 2002).

So as said before Human Resource Management (HRM) is a hot topic in business nowadays. A short explanation of Human Resource Management is: HRM is the function within an organization that focuses on recruitment of, management of, and providing direction for the people who work in the organization. Human Resources deals with issues related to people such as: compensation, hiring, performance management, organization development, safety, wellness, benefits, employee motivation, communication, administration, and training. (site Human Resource Management) HRM is active in more fields. In the article, HRM practices in small and medium sized companies, the researcher described eight Human Resources fields. These fields are HR planning, recruitment & selection, training & development, performance evaluation, rewarding & remuneration, career development, employer-employee relations and sickness policies (Riemsdijk, Bondarouk & Knol, 2006).

The definition of HRM that will be used in this research, from the authors Bratton and Gold (2003), is: "a strategic approach to managing employment relations which emphasizes that leveraging people's capabilities is critical to achieving sustainable competitive advantage, this being achieved through a distinctive set of integrated employment policies, programmes and practices".

HRM can be characterized as the discovery of the value of the human factor by the leaders from different organisations. So the workforce should be considered as 'reservoirs of untapped resources', 'social capital capable of development' or as 'valued resources'.

2.1.1   The origin

How did Human Resource Management become important? The origin and development of HRM is often described out of the development of the American industry (Miner & Crane, 1995). HRM derived from the Human Relations approach, which was taking care of the working behaviour on psychological grounds in 1930. HRM really started to develop in a situation where there was a reconsideration of the personnel role in organisations in America. Because of the huge concurrence from for example Japan, America sought for solutions for this pressure from abroad in the sixties and seventies (Miles, 1965).

Steyeart (1944) writes that HRM matches with the 'Zeitgeist' from the eighties and it is characterized by the search for competition advantages, an urgency for excellence, the individualizing of labour relations and the rise of flexible labour. There are some characteristics in HRM that are different between 'the West'. 'The West' has a more extensive legislation, a stronger emphasis on the consultative approach requiring collaboration between different stakeholders as social partners and a different role of work and leisure in people's lives (Apospori, Nikandrou, Brewster, Papalexandris, 2008). Brewster (2004) argues that the difference between nations is created by two factors, culture and institutions. It was said before that HRM is a development in HRM, so in the next paragraph there will be a distinction between Personnel Management and HRM.

2.1.2 From Personnel Management to HRM

After the introduction into Personnel Management and HRM, there will be more information about the subjects in this paragraph. The characteristics of Personnel Management are bureaucratic and reactive and it is focused on the short term. HRM is proactive and is focused on the long term. The bureaucratic structure fits with Personnel Management and an organic structure fits with HRM (Guest, 1987). Some other differences between the 'new' HRM and traditional Personnel Management include: strategic planning, focus on the psychological contract, importance of learning in the workplace, focus on the individual, importance of leadership & pro-activeness, a focus on line managers and an attention to measuring HR performance outcomes (Site HRM phenomenon)

The core of Personnel management is the search for the best method to function and the stimulation of the personnel's performance . The core of HRM is that personnel is crucial for the success of companies. We are talking about the performances, the prosperity and the business success in terms of economic profits.

There is also a table to give a good overview:

	Personnel Management	HRM
Time horizon and planning	Short term	Long term
Psychological contract	'Compliance'	'Commitment'
Control systems	Extern control	Self control
Labour relations	Collectivistic, low trust	Individualistic, high trust
Preferred structures/systems	Bureaucratic	Organic
Roles HRM-/Personnel Management-manager	Specialist/professional	Integrated in line management
Evaluation criteria	Maximal cost reduction	Maximal utilization

(Verburg & den Hartog, 2008)

With these clear differences between Personnel Management and HRM, we can explore if Kuwait has more characteristics of Personnel Management or more of HRM. The difference between Personnel Management and HRM was treated here, the next paragraph will have more information about the different views of HRM.

2.1.3 Different views on HRM

So there is a development from Personnel Management to Human Resource management and because of the importance for organisations there is also a lot of literature about HRM. There are different types of HRM, a model is developed (Harvard and Michigan model) and there are HRM practices. This paragraph is about these three subjects.

Types of HRM

Lepak and Snell (1998) and Ruël, Bondarouk and Looise (2004) distinguish 3 types of HRM: operational HRM, relational HRM and transformational HRM. A company can choose which HRM activities will be offered face-to-face and which will be offered through internet. E-HRM is not a specific stage in the development of HRM, but a choice for an approach to HRM. So this explanation of types of HRM is also applicable for the types of e-HRM.

The first type, operational HRM, is the basic for HRM activities in the administrative area. Employees can do this by themselves or an administrative force can do this. Relational HRM exists out of more advanced HRM activities and it supports the basis business processes such as recruiting & selecting personnel, training, performance management & appraisal and rewards. For example, a company can advertise for new employees in newspapers or use a web-based application. Transformational HRM has a strategic character and refers to activities like knowledge management, information management and strategic competence management. Here a company can choose for flexible workforce that is in line with the company's strategic choices or choose for paper-based materials (Ruël, Bondarouk & Looise, 2004).

The interviews will categorize the companies in their type of HRM.

The 3 types of HRM distinguished by Lepak & Snell (1998) and Ruël, Bondarouk and Looise (2004) are: operational HRM, relational HRM and transformational HRM. In a report from Exact Software, How HRM can empower business (2007); they distinguish administrative HRM and strategic HRM.

In that report, Strategic HRM is focused on increasing added value through increased business focus by the following activities:
- Acquire the right employee for the right job at the right time
- Provide conditions for optimal alignment between personal objectives and company objectives
- Provide means for keeping the right employees and outplacement of the lesser qualified
- Maximize capitalization of employee capabilities
- Analyze and report on factors that lead to employee turnover and how it affects business performance goals
- Analyze the impact on the workforce of possible restructuring or new market approaches
- Improve organizational structure
- Improve effectiveness and efficiency of HR processes

The goals of administrative HRM are improving the efficiency of administration and reducing time and costs by:
- Effective Recording and Reporting of time data
- Smart processes in Recruitment Management
- Workflow Management
- Document Management

With HRM companies try to focus more on their strategy. Armstrong and Baron, on the internet, defined strategic HRM as: "Strategic HRM can be regarded as a general approach to the strategic management of human resources in accordance with the intentions of the organization on the future direction it wants to take". It is concerned with longer-term people issues and macro-concerns about structure, quality, culture, values, commitment and matching resources to future needs.

The organizations are spending too much time on HRM functions, for example administration, that does not add value to a business. When organizations focus on administrative support then the proportion will be like this: 10% strategic, 30% service delivery to employees & management and 60% administrative tasks. With a solution from Exact Software, like Exact Synergy, there could be a change from administrative support to strategic support of HRM and the three percentages for HRM functions will change. Exact Synergy provides employees, customers, suppliers and partners with access to information across the entire organization. Organizations that focus on strategic support have the following proportion of HRM functions: 20% strategic, 60% service deliver to employees and management and 20% administrative tasks.

Exact Software (2007) also made a pyramid about five levels of HRM. It is divided in the three types of HRM operational, tactical and strategic. The pyramid is showed next to this text.
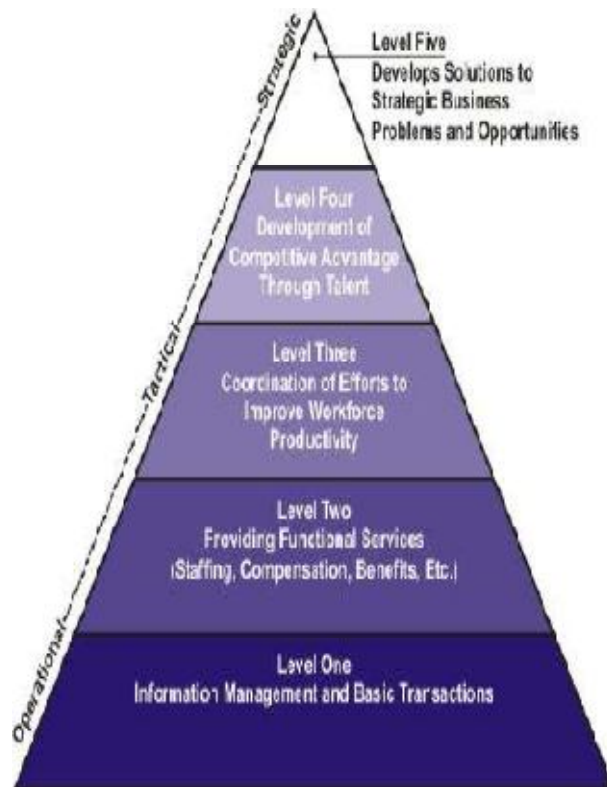
Harvard and Michigan model
Next to the types of HRM there are also models about HRM. There are different interpretations of HRM. Two famous interpretations are the Harvard model and the Michigan model. The Harvard model is the softer model and the Michigan model is the harder model.

Het Harvard model sees employees as resources, but they are fundamentally different from other resources. These resources cannot be managed in the same way and in this model the employees are seen as human resources. The Harvard model has four HR policy areas: Human Resource flows (recruitment, selection, placement, promotion, appraisal & assessment, promotion, termination etcetera), Reward systems (pay systems, motivation etcetera), employee influence (delegated levels of authority,

responsibility, power) and work systems (definition/design of work and alignment of people). Beer et al. (1984) say that to the following four C's or HR policies have to be achieved: commitment, congruence, competence and cost effectiveness. So the Harvard model is a soft model and looks more to people as human resources (Site HRM Guide).

The Michigan model is harder, less humanistic and the employees are the same as other resources in the company and are treated in that way. In order to improve the company's performance, it must directly align its corporate and human resource strategies and structures. The model has the following characteristics:
- Individuals should be treated as organizational resources, they should be obtained and resourced as cost-effectively as possible and should be developed and exploited
- Fit should be achieved between individual and organizational strategies by selecting the most suitable individuals to achieve its business activities and promoting optimum performance to achieve business objectives
- Monitoring and appraising performance and providing feedback to employees
- Rewarding to performance
- Developing knowledge, skills and competence to achieve business objectives (Site Allfree essays).

Supporters of the Michigan model think that the following four HR issues are the most important to achieve: selection, performance, appraisal, rewards and development (Site HRM Guide).

After the interviews could be concluded if Kuwait has more characteristics of the Harvard model or the Michigan model.

HRM practices
In this research we will look at the following three HRM practices: inflow of personnel, run-through of personnel and the outflow of personnel. With these practices the HRM in Kuwait is explored. In this part of the paragraph these three HRM practices are explained.

The book, 'de kern van HRM' (Verburg & den Hartog, 2008), subdivides the HRM practices in three categories and these categories represent the different phases of the labor relations. These three phases are: the inflow of personnel, the run-through of personnel and the outflow of personnel.

The inflow of personnel has to do with the entry of new employees in the organizations. It is about the recruitment and selection of new personnel, but also the planning of the quantity of new employees you need at a specific moment. Recruitment occurs when there is scarcity on the labor market and selection occurs under looser circumstances.

The run-through of personnel is about keeping, holding on level and developing the personnel. Another term for it is performance management. It is characterized by the HRM practices in the area of rewarding, appraising, training and developing.

The outflow of personnel has to do with the forced forms of outflow like redundancy and retirement and the voluntary outflow like a new job, a migration or a shortage in career opportunities. (De kern van HRM, 2008)

There are also some other visions of HRM practices like the authors Schuler and Macmillan have (1984), they describe six other HRM practices: Human Resource planning, staffing (including recruitment selection and socialization), appraising, compensation, training & development and union-management relationships.

Also Walton and Lawrence (1985) identified four major areas of HRM policy: reward systems (compensation and benefits), employee influence mechanisms (participation), job design & work organization and employee selection & development.

But the structure of the interviews will be based on the three HRM practices from Verburg and den Hartog, because it are easy, complete and clear HRM practices. During the interviews questions will be asked about the inflow-, run-through- and the outflow of personnel. If companies use the right HRM practices what will be the performances then?

2.1.4 HRM and performances

This paragraph will give an answer to the question why companies use HRM and to what kind of performances HRM will result? According to Wright et al. (2005) HR practices will improve operating and financial performance. Such research will provide for decision makers a more convincing business case.
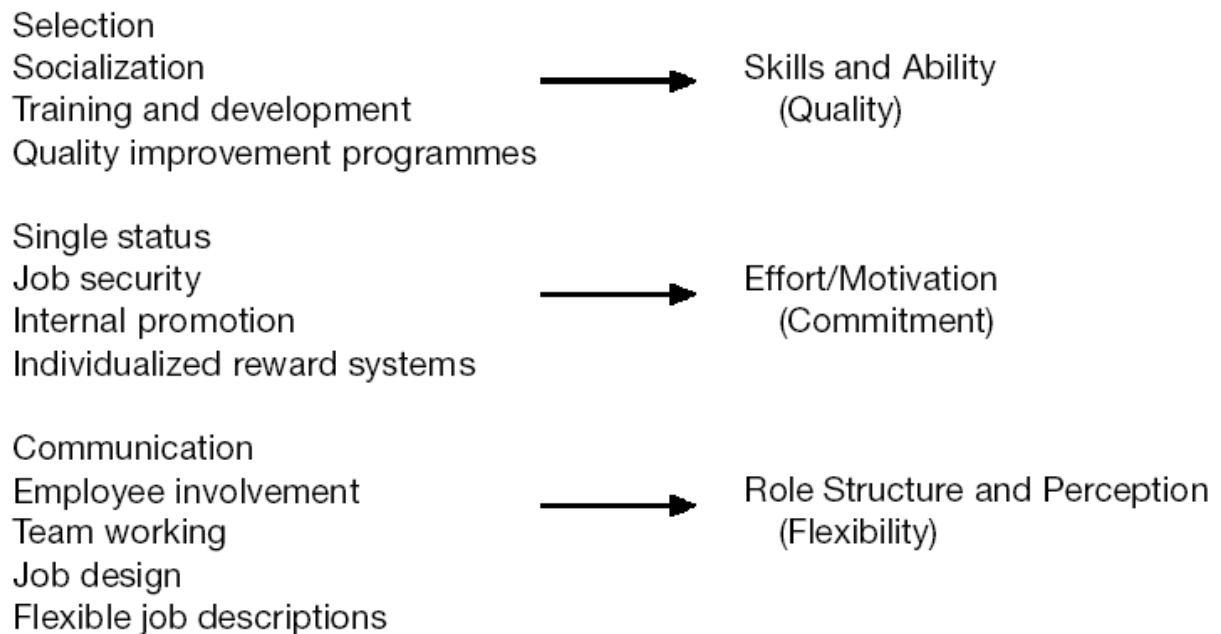
Also Exact Software is active in solutions for HRM and e-HRM. In a report from Exact Software, How HRM can empower business, Exact Software distinguishes administrative HRM and strategic HRM. The 3 types of HRM distinguished by Lepak & Snell (1998) and Ruël, Bondarouk and Looise (2004) are: operational HRM, relational HRM and transformational HRM. Exact Software gives a list of activities which can add value through increased business focus (with support of Exact Synergy). These activities are:
- Acquire the right employee for the right job at the right time
- Provide conditions for optimal alignment between personal objectives and company objectives
- Provide means for keeping the right employees and outplacement of the lesser qualified
- Maximize capitalization of employee capabilities
- Analyze and report on factors that lead to employee turnover and how it affects business performance goals
- Analyze the impact on the workforce of possible restructuring or new market approaches
- Improve organizational structure
- Improve effectiveness and efficiency of HR processes

Exact Software also thinks that some of the organizations are spending too much time on HRM functions, for example administration, that do not add value to business. When organizations focus on administrative HRM then the proportion of work will be like this: 10% strategic, 30% service delivery to employees and management and 60% administrative tasks. With a solution from Exact

Software, like Exact Synergy, there could be a change from administrative HRM to strategic HRM and as a result the three percentages for HRM functions will change. Exact Synergy provides employees, customers, suppliers and partners with access to information across the entire organization. Organizations focus on strategic support will have the proportion of HRM functions like this: 20% strategic, 60% service delivery to employees and management and 20% administrative tasks (Report Exact Software). There are also some other articles and figures with the subject HRM and performances.

In the article, Human resource management and performance: a review and research agenda (Guest, 1997), the author gives a table where he links the HRM practices with the HRM outcomes.

Selection
Socialization
Training and development   ⟶   Skills and Ability
Quality improvement programmes   (Quality)

Single status
Job security
Internal promotion   ⟶   Effort/Motivation
Individualized reward systems   (Commitment)

Communication
Employee involvement
Team working   ⟶   Role Structure and Perception
Job design   (Flexibility)
Flexible job descriptions

Also in the article, Human Resource Management and performance: lessons from the Netherlands is given a figure with the relation between HRM activities, HRM outcomes and firm performance (Boselie, Paauwe & Jansen, 2001). It is showed below:
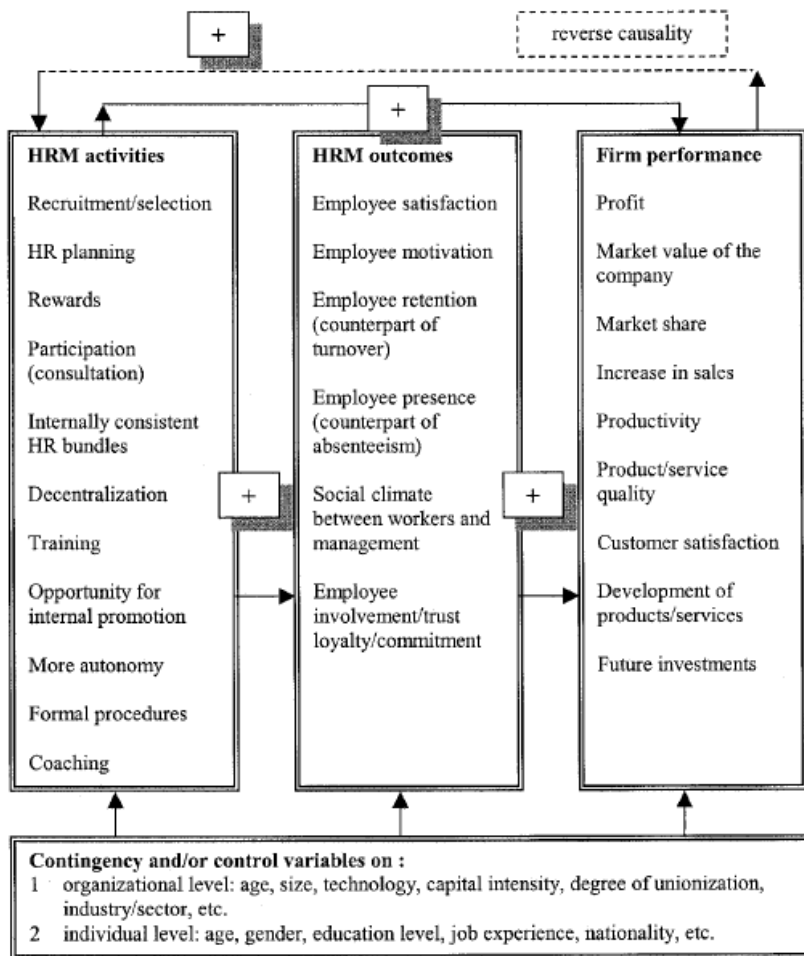
Source: adapted version of Paauwe and Richardson (1997: 260, fig. 1).

Figure 1 *HRM activities in relation to HRM outcomes and firm performance*

The figure above shows that there is a reverse causality between HRM activities and firm performances. Thanks to good HRM activities the following performances of the firms will occur: profit, market value of the company, market share, increase in sales, productivity, product/service quality, customer satisfaction, development of products/services and future investments (Boselie, Paauwe & Jansen, 2001). So there are many effects as long as HRM activities in an organization are good.

2.1.5 HRM in Kuwait

From the past paragraphs can be concluded that there is much literature about HRM and that it has an important place in businesses, but what does the literature say about the HRM in Kuwait? The conclusion is that there is not much information about HRM in the Middle East or HRM in Kuwait. Before the interviews it is useful to see what other researchers said about the situation of HRM in Kuwait.

The Middle East countries are the countries from Iran in the east up to Morocco in the west and the main religion is the Islam (Budhwar & Mellahi, 2007). Abed (2003) identified five factors for holding back the economic growth of the Middle East. The five factors are: lagging political forms, dominant public sectors, underdeveloped financial markets, high trade restrictiveness and inappropriate exchange regimes. Some other factors are: the lack of integration into the global economy, growing unemployment, closed economies, over-dominance of the oil-sector, lack of privatization and the weakness of local entrepreneurial cultures (Abed, 2003).

The political economy in the Middle East is called the Sheikho-capitalism (Ali, 1995), it is capitalism with influence and control of government administration on business decisions. In such an economy the existence of power structures is based on tribal networks. In the countries in the Middle East the informal relations, family networks and building trustful/open relations are important. Employer-employee relationships are based on consensus and unity, balance and high trust through family networks. The management is unlike the management in many European countries (Metcalfe, 2007). A very great change in much Middle Eastern countries is the shift from economies with high governance interference to economies with market driven forces (Budhwar & Mellahi, 2007).

Kuwait has some characteristics so that it is different from other Arab countries or market-economy countries. These characteristics are:
- Kuwait has been exposed to new ideas and customs so there is competition, canniness and gamesmanship in their relationship with others.
- Thanks to the oil revenues the government regards Kuwaitis lavishly and regardless of efficiency.
- Foreign labor is very important and there are a lot of expatriates.
- Expatriates who want to work in Kuwait need a company to sponsor for their operations.

These factors reinforce that the government spoils the locals, so that there is no hard work and efficiency. The Kuwaiti nationals lack technical competence, proper work values and career operations. That is why Kuwait has to rely on expatriates to run and manage most of the operations (Ali & Al-Kazemi, 2006).

Something is said about the government above, but the government is also very important for HRM in Kuwait, it initiates and steers the direction and evolution HRM. Next to the provision of the normal government activities it also provides secure jobs for Kuwaiti. The influence of the government in HRM can be seen in two aspects. First, there is a law in Kuwait that allows the government to restructure or train people to prepare them for work in the public sector. Second, there is also a law that specify hiring procedures and the contents of advertisements.

So there are some differences in the management between the Middle East and 'the West', but are there also similarities? They both are sensitive to local cultural norms and have restricted participation in decision making. The religion, the Islam, is very important in countries in the Middle East and people can see this on the impact of Islamic values, Islamic work ethics and Islamic principles on management and Human Resource Management (Budhwar & Mellahi, 2007). Concepts you see back in the behavior in management and organization relations are: unity (itihad), justice (a dalah) and trusteeship (khila fah). The working relations are guided by diwan and wasta. Diwan is a style of decision making, which is about a process of achieving balance (adl) and justice (a dalah). Wasta is about that power is related to tribal and familial structures, and employees need to recognize how to move within these power networks (Metcalfe, 2007).

So cultural and traditional factors result in opportunities and challenges to HRM. The Islamic Work Ethic (IWE) is good for the HRM. But the cultural and traditional factors are also an obstacle for HRM in Kuwait. The government lavish spending on Kuwaitis resulted in a drawback of economic development and a drawback in involvement in work and organization. Also hiring and promotion is influenced by 'wasta', social connectivity, tribal identity etcetera. In Kuwait there is not much attention for development, motivation and performance evaluation.

Four developments influences the HRM in the private sector. These developments are: the influence of expatriates, the presence of foreign corporations, the willingness of Kuwaiti to invest at home and diversify their businesses and competition for neighboring countries (especially the United Arab Emirates). Companies try to be competitive and the competition in the Middle Eastern region encourages Kuwaitis to pay more attention to qualifications in recruiting, upgrading skills and to the significance of the HRM (Ali & Al-Kazemi, 2006). Budhwar identified three factors that influence the development of HRM practices: national factors, contingent variables and the strategies of particular organizations (Budhwar & Sparrow, 1998).

Boxall (1994) said that the nature of the HR function has changed from being reactive, prescriptive and administrative to being proactive, descriptive and executive. This change is not necessarily recognized in the developing world. HRM is different in countries in the developed and the developing world. Developed countries see HRM as a strategic function and try to achieve a competitive advantage by making use of their human resources. Developing countries, in this article the example is Iran, see HRM for administration of basic personnel tasks (Boxall, 1994).

Another paragraph in this research was about Personnel Management and HRM. Also in Kuwait there has been a move from Personnel Management to HRM. The government and the private sectors are interested in HRM. The reason to be interested are: increase of the size in manpower, the use of foreign consulting services and the multinationals in Kuwait. (Ali & Al-Kazemi, 2006).

The previous text was about the difference between the HRM in the Middle East and the rest of the world. If we look at Iran, what is the HRM in Iranian companies and what is the HRM of multinationals in Iran for example?

In the article, developments in Human Resource Management in Iran (Namazie & Frame, 2007), the authors give differences between the recruitment & selection, training & development, performance appraisal and compensation & rewards in Iranian companies and multinational companies.

- The multinationals adopt a structured approach to recruitment & selection, using a job description. This trend in Iranian companies is increasingly moving towards selection on competences. The relationship-orientated culture in Iranian companies is still presented.

- Multinationals have more structure in their training and development of employees than Iranian companies. The trainings are more linked to performance appraisals and continuous development. Iranian companies need to provide a better fit between needs and delivered programs.

- In multinationals performance appraisals are used for setting goals, measuring outcomes and providing feedback to staff. In Iranian companies performance appraisals are not used as a development of employees.

- The difference between MNCs and Iranian companies in compensation is once again about structure and transparency.

Multinationals view HRM as a strategic function and it can be seen in the structure of the organization and the HRM practices in multinationals. In Iranian companies, but also in other companies in the Middle East they do not see HRM as a strategic function and they have not yet made the link between HRM and increased individual performance (Namazie & Frame, 2007). In this research we will look at Kuwait and how Kuwait manages HRM. Are there some similarities between the Human Resource Management in Iran and in Kuwait?

And the end of this paragraph it is about the future of HRM in the Middle East. There is no Middle Eastern HRM model, but we can talk about HRM in the Middle East. All countries use different policies and practices and in the future it will lead more to an divergence than a convergence between and within Middle Eastern countries (the economical and institutional factors are different). What is also remarkable in Kuwait is that trade unions and strikes are not allowed (Mellahi & Budwhar, 2006)

Next to this information about HRM in Kuwait, there will be more information about the subject in the chapters findings and the conclusion.

2.2 E-HRM

This chapter is about e-Human Resource Management and this is the case when the practices of HRM are made electronically. The definitions, virtual HRM and Human Resource Information Systems, all refer to e-HRM. In this research there is no difference between e-HRM and Human Resource Information Systems, because the differences are not big and it is not necessary to make a distinction.

There is much information about e-HRM and there are different explanations for e-HRM. E-HRM combines the following two elements: the use of electronic media (the internet) and the participation of employees in the process. The employees are very important in the whole process of implementing e-HRM and they have to like working with the system (Hawking & Stein & Foster, 2004). The function of HRM changed over time. The traditional function was an administrative one and now it is more a strategic function of human capital management that can add value to organizations (Walker, 2001). Nowadays people see that HRM is important and that is why companies invest in Human Resource Information Systems (HRIS).

The literature gives the following definitions about e-HRM:

Ruël, Bondarouk and Looise (2004) believe that e-HRM is 'a way of implementing HRM strategies, policies, and practices in organizations through the conscious and direct support of and/or with the full use of channels based on web-technologies'

Strohmeier (2007) defines e-HRM as the 'planning, implementation and] application of information technology for both networking and supporting at least two individual or collective actors in their shared performing of HR activities'.

Voermans and Van Veldhoven (2007) believe that, 'e-HRM could be narrowly defined as the administrative support of the HR function in organizations by using Internet technology'.

Lepak & Snell (1998) say that "Virtual HR is a network based structure built on partnerships and typically mediated by information technologies to help the organization acquire, develop, and deploy intellectual capital"

Ruta et al. (2005) define e-HRM as 'HR portals are vehicles through which HR information and applications can be channeled effectively and efficiently. Through HR portals, administrative activities could be updated by users and may have the access to customized and personalized news, resource applications, and e- commerce options. Through HR portals managers are able to generate reports, examine employee activities and manage their own activities'.

Bondarouk and Ruël (2009) define in another article e-HRM as 'an umbrella term covering all possible integration mechanisms and contents between HRM and Information Technologies aiming at creating value within and across organizations for targeted employees and management'.

All these definitions have a lot in common like networks, adding value, human capital, the internet, much information, much applications etcetera. All the definitions about e-HRM above are good and

describe e-HRM very good, but out of these definitions the researcher formulated an own short and powerful definition of e-HRM: e-HRM supports and automates HRM processes through the use of IT. This own definition will be used in this research, because it is an easy definition and it comprises all the definitions.

2.2.1 Types of Human Resource Information Systems

This paragraph is about the different types of Human Resource Information Systems. With these types it is possible to classify e-HRM in types. The type of HRIS depends on the organisational size. The small companies would go for low cost, low risk HRIS, more flexible software or in-house developed. In the article, the impact of e-HR on the Human Resource Management function (2003), the researcher distinguishes three forms of e-HR. The three forms mentioned in the article are: publishing information, automation of transactions and transformation of the Human Resources function.

The first type involves one-way communication from the company to employees or managers. An example of a typical information delivery medium is intranet. First the information was of a generic content and it followed by the personalized information. Some advantages of this type of e-HR are: no printing costs, employees can see changes quick and easy, users can get information whenever they need it and wherever they have access to computers.

The second, higher-level form of e-HR is the automation of transactions, workflow and supply-chain management. This type uses intranets along with extranets and often combines several different application programs. The paperwork is replaced by the computer. Managers and employees can access databases, update information, search for information and make decisions.

The third type, the highest-level, involves transformation of the Human Resources function. E-HR in this level will get a strategic focus. Walker (2001) identifies three types of work for HR in this transformation form: strategic partnering with the line businesses, creating centers of expertise and service center administration. None strategic tasks will be done faster, cheaper and with less work for the HR staff. HR can play a more active role in intellectual capital, social capital and knowledge management to create new products and services, improve the service and create value. A few companies achieved this type of e-HR (Legnick-Hall & Moritz, 2003).

The interviews will categorize the companies in their type of Human Resource Information System.

2.2.2 Objectives and advantages of e-HRM

Why should companies implement e-HRM? This paragraph will give the objectives and the advantages of e-HRM. There are many goals or objectives for implementing e-HRM. One simple objective is the reduction of process and administration costs and you will gain efficiency with this reduction. You do not need so much HR managers, because the e-HRM eliminates the HR-middleman. E-HRM also speeds up transaction processes, reduces information errors and improves the tracking and control of HR actions (Lengnick-Hall & Moritz, 2003). Also the strategic orientation of HRM will be improved and the client service will be improved. These advantages are also in a table in the annex.

Of course you could also see these objectives as advantages. Another advantage is that e-HRM can improve employee satisfaction (Barker & Frolick, 2003). Enterprise Resource Planning (ERP) systems involve employees in business decisions and through these systems the employees do not have to do processes that can be automated. Employees will be more empowered and that is why they will be more satisfied with their work. Another advantage is that the systems tend to incorporate core business practices and 'best practices' from other successful companies (Nah, Zuckweiler & Lee-Shang Lau, 2003).

In the article, HRIS: A review and empirical analysis (2006), the researcher shows a table about the benefits of the adoption of HRIS. The results are in the table below.

Benefits	Mean[a]	S.D.	Ranking
Quick response and access to information	4.377	0.813	1
Improving data control	4.186	0.892	2
Reducing data re-entry and data may be used immediately	3.991	1.026	3
Streamlining HR processes	3.835	0.927	4
Allowing for fewer errors	3.779	1.100	5
Standardizing programmes and procedures	3.522	0.983	6
Reducing paperwork	3.412	1.275	7
Reducing manpower	3.404	1.002	8
Tracking and controlling the different HR functions	3.287	1.227	9
Helping to make more informed decisions	3.257	1.140	10
Improving customer services	3.254	1.225	11
Enhancing competitiveness	3.063	1.149	12

E-HRM gives the possibility to be strategic and creates a competitive advantage, but most HR-managers use it for administration and not for strategic purposes. These HR-managers look especially to the benefits of the Internet: information widely available, reduce the difficulty of purchasing, marketing & distribution and it is easier to find buyers and sellers. And these benefits make it more difficult for companies to make profits out of these benefits. So the true value-adding by the implementation of e-HRM is not be realized by many HR managers, most managers do not think strategically before making the step to e-HRM and Internet. How is this situation in Kuwait? (Marler, 2009) We now have seen the advantages, but are there also disadvantages of e-HRM?

2.2.3 Problems and barriers of e-HRM

Of course there are not only advantages of e-HRM and the problems and barriers also need some attention. The biggest problems for the implementation of e-HRM are the expenses. Most of the problems occur with the installation and implementation of the ERP systems. Because of their massive scope and the great importance, implementations will fail without a huge planning and organization.

ERP systems also fail because of a poor organizational fit for the processes in the system and the unwillingness from employees to change organizational processes (Barker & Frolick, 2003).

Also in the article, HRIS: A review and empirical analysis (2006), the researcher shows a table about the barriers of the implementation of HRIS. The results are in the table below.

Potential barriers	Mean[a]	S.D.	Ranking
Insufficient financial support	3.199	1.360	1
Lack of expertise(s) in IT	2.878	1.316	2
Inadequate knowledge in implementing the system	2.737	1.208	3
Lack of commitment from top managers	2.679	1.455	4
No suitable HRIS or software	2.511	1.276	5
Difficulty in changing the organization's culture	2.5	1.257	6
Fearful of changing the way they do things	2.460	1.138	7
Not perceived as an advantage at all	2.417	1.239	8
Lack of commitment and involvement by all employees	2.399	1.124	9
A lot of paper work that is difficult to computerize	2.287	1.122	10

A survey by the Institute of Management and Administration in 2002, gives the biggest problems for managing HRIS. These problems are: the lack of staff, the lack of a budget, problems with time management, the need to work with other departments and the lack of information technology support (Ngai & Wat, 2006)

Pressures of e-HRM
Lepak and Snell (1998) identified four pressures of e-HRM. The first one is that the HRM departments are asked to focus on strategic questions. Secondly, these departments need to be flexible. Another pressure is that HRM department should work efficiently and be aware of cost. Fourthly, HRM departments should be service-oriented towards management and employees.

2.2.4   E-HRM in Kuwait

There is not enough literature about e-HRM in Kuwait or about e-HRM in the Middle East. That is why it is not possible to say a lot about this subject considering e-HRM in Kuwait. Is e-HRM used a lot in Kuwait? Does e-HRM work in Kuwait and if yes how? There are a lot of questions and these questions are not answered in the literature. That is why the findings about e-HRM will be found after the interviews in the chapter findings. E-HRM supports and automates HRM processes through the use of IT. In the Middle East there is a huge increase in Information Technologies, but the change to e-HRM is going very slowly. HRM is underdeveloped in the Middle East and the top management does not have the professional skills. HR managers have a low status in the Middle East and that is why they are not properly trained. HRM and e-HRM only will gain strength if the countries in the Middle East will appreciate the strategic importance of the HRM function (Mellahi & Budhwar, 2006). So if Kuwait wants to implement e-HRM on a large scale, something should change in the opinion and the position of HRM in the company and the HR-manager in the company. If Kuwait wants to compete with the rest of the world, the change to e-HRM has to be faster and HRM has to be more developed. So a lot of work for the HR-managers in Kuwait and in the chapter findings there is more information about e-HRM in Kuwait.

2.2.5   E-HRM readiness

So to answer the question if companies in Kuwait are ready for e-HRM, we have to look at the e-HRM readiness of these companies. What is e-HRM readiness exactly? Are companies in Kuwait ready for e-HRM? Why or why not? The interviews were with companies which did not have implement e-HRM and companies which did have implement in their organizations. We will see if these companies are ready and if they were ready for e-HRM. Some aspects of e-HRM readiness in other articles were: availability of resources, the attitude of employees, readiness for change and the organizational commitment of employees. Olson and Davis (1984) said that companies should prepare themselves to receive an information system for its effective use (Stewart et al., 2000). E-HRM readiness will be seen as the level in what companies in Kuwait are ready for e-HRM considering the availability of resources, the attitude of personnel, the readiness for change, the organizational commitment, the disadvantages, competition and the environment. About these aspects in this paragraph more. In the research about e-HRM readiness the articles from Hooi, Kwakh & Lee and Kotter will be used as a basis to look at the e-HRM readiness in companies in Kuwait.

The article, Implementing e-HRM: the readiness of small and medium sized manufacturing companies in Malaysia, looked for the e-HRM readiness in Malaysia. The article focuses on the following five areas of human capital management: recruitment, compensation & benefits, training & development, communication and performance appraisal. The readiness and feasibility of implementing e-HRM in the small and medium enterprises in Malaysia is dependent on the availability of resources and the attitude of employees. With e-HRM the service to management and employees is expected to improve, but still much local companies do not use e-HRM. Why is that? Some reasons are: it will reduce the number of employees in the HR department, the implementation and maintenance involve huge investment. Some others say that e-HRM would reduce costs and stimulate a more strategic approach and another reason is that employees could access information from anywhere. For the e-HRM readiness in Kuwait and the selected companies the research will look at the five areas of human capital management, the availability of resources and the attitude of employees.

In the article (Lai Wan Hooi, 2006) the researchers think that the feasibility of implementing e-HRM is very much dependent on the availability of resources. With, expertise, technical and financial resources, companies can support the emergence of e-HRM. Also the attitude and readiness of the employees will affect the implementation of e-HRM. Companies with an open and flexible corporate culture will adapt more easily to new technology and changes. Another research concluded that demographic characteristics such as age, level of technology, race and ethnic cultures do not have significant influence on the implementation of HR practices (Bawa et al., 2001).

There are also some other findings in the article. Managers who work in newer estates introduce more technical HR practices than older estates. Younger managers, managers who work in private firms and managers who belong to professional associations introduce more technical HR practices.

One of the findings in the article is that the usage of e-HRM in Malaysia was low. The use of electronic methods in companies' HR practices is most popular in communication. Another finding is that financial resources may be a constraint, but it is not the main constraint. Most of the companies in the research lack financial resources and expertise to implement e-HRM. The employees in the Malaysian companies were very positive about e-HRM and the employees think that there are not too much constraints and the security, skills and technical infrastructure is also available in the organizations. The employees think that e-HRM will be good for their organization and they think they are capable of handling e-HRM (L.W. Hooi).

The article, the role of readiness for change in ERP implementation: theoretical bases and empirical validation (Kwakh & Lee, 2008), focuses on the following two factors for successful ERP implementation: readiness for change (the extent to which organizational members hold positive views about the need for organizational change) and organizational commitment.

The two articles above will be used in the research about e-HRM readiness and out of these 2 articles, 3 good aspects of e-HRM readiness have been concluded. Then the interviews can conclude to what extent Kuwait is ready for e-HRM. It is a basis for my research about the e-HRM readiness.

Also another article about the implementation of a change is very useful to appraise if a company is ready for e-HRM. The title of the article is: Leading Change: Why transformation efforts fail, from Kotter (1995). In this article Kotter gives eight steps for transforming an organization and these steps can also be very useful in implementing e-HRM in a company. The eight steps are: establishing a sense of urgency, forming a powerful guiding coalition, creating a vision, communicating the vision, empowering others to act on the vision, planning for and creating short-term wins, consolidating improvements and producing still more change and institutionalizing new approaches. So these steps have to be kept in mind by companies who want to change (Kotter, 1995). Also the next chapter will show you steps and criteria in the research.

Because it was difficult to measure these aspects of e-HRM readiness, other aspects have been used and there were three levels distinguished: top management, middle management and the employees. In this research the following criteria has been concluded to give an answer on the e-HRM readiness of Kuwait from the text above:

-   HR technology expertise

This aspect is about: does the specific level knows the principle of e-HRM? Do they have the skills to work with e-HRM or can they understand it? Could they communicate with IT-specialists about the requirements for an e-HR application? Could a good e-HRM strategy be developed by the top management?

-   Facilitating conditions

This aspect includes the questions: Do the respondents think that the organizational and technical infrastructure is ready to support e-HRM or make it possible?

-   Participation in e-HRM implementation

What is the observed provided contribution of the levels to the implemented e-HRM?

Below there will be a short summary of the literature review, so it is about the major subjects of this research:

HRM in this research will be explained with the following definition: "a strategic approach to managing employment relations which emphasizes that leveraging people's capabilities is critical to achieving sustainable competitive advantage, this being achieved through a distinctive set of integrated employment policies, programmes and practices".

There are huge differences between HRM and Personnel management. Personnel management is bureaucratic and reactive and is focused on the short term.

The three HRM practices distinguished in this research are: inflow of personnel, run-through of personnel and outflow of personnel.

The definition of e-HRM in this research is: e-HRM supports and automates HRM processes through the use of IT.

Some criteria of e-HRM readiness are formulated through literature and own insights and the criteria are: HR technology expertise, facilitating conditions and participation in e-HRM implementation.

This chapter was about the literature review and it gives lots of information about HRM, e-HRM, e-HRM readiness in general. To give more information about these aspects in Kuwait there were several interviews with HR-managers and these results and findings you can find in chapter 4, findings. In the next chapter will be explained how the research was structured and in this chapter the choices will be justified.

Chapter 3: Methodology

This chapter is about the methodology and the techniques used in the research. Also in this chapter choices will be justified. This chapter tries to justify the research and the research questions. In this research *an explorative approach* will be used and *multiple qualitative case studies* will be done. In this research were used interviews, because then you will get the most extended explanation about your questions and it is more attractive for the interviewer. For the interviews an interview protocol was developed to have a guideline during the interviews about the following main aspects: general information HRM, inflow of personnel, run-through of personnel, outflow of personnel and e-HRM readiness in this research. In these multiple qualitative case studies there are also possibilities for side-lines and other questions about new things the interviewee said. This gave enough information to say general and exceptional things about how Kuwait is dealing with different HRM and e-HRM aspects.

The interview questions were developed with the help of some interview questions in the book, De kern van HRM (Verburg and den Hartog, 2008), some help from an interview in another project about HRM in my study Business Administration and my own insights. These questions were used, because with these questions it was possible to say interesting things about the major subjects in my research. The time for each interview was around one and a half hour and for only one interview I had to come two times to the office.

For the research there were six interviews with different companies of different sizes. The multiple case studies were with 6 HR-managers and the companies were all in a different phase of Human Resource Management and e-HRM. Some are not yet e-HRM ready and others already implemented a fully integrated system. These multiple qualitative case studies will give the researcher and the readers a better image of the HRM practices in Kuwait and the e-HRM practices in Kuwait. So there will be made a comparison between the companies in Kuwait and in the chapter findings the situation of Human Resource Management in Kuwait will be clarified. The researcher also wants to research the e-HRM readiness of the companies who do not use e-HRM or use it in very low proportions. Also we will have a look if the companies which used e-HRM were ready in the past. Six companies were chosen because this amount of companies the researcher was able to visit qua time and by researching 6 companies it is enough to say interesting things about the HRM in Kuwait and the HRM in these specific companies. The validity and reliability of the researcher would be higher if there were more and more different companies involved in the research. When more and more different companies were used, the findings by other researchers could be different, because of more insights and stories the researcher will get. For a bachelor thesis and for only the six researched companies this is an valid and reliable research, but it could be more reliable if more companies were involved. If other researchers would do the same research with the same companies the results would be approximately the same.

3.1   Theories & models

The books, doing research in business and management: an introduction to process and method (D. Remenyi, 1998) and business research methods (A. Bryman, 2007), helped the researcher to do good research and make it reliable. Some important notes about research and research methods are also used in this research. For the construction of this research there was also support from the supervisor, Huub Ruël, and the University of Twente.

3.2   Research Strategy

The research strategy used is like the following. Literature about HRM and e-HRM was searched in the first weeks and after that an introduction about the subjects and the literature review was written. So the first three chapters were written. The first chapters were improved a few times after feedback from the supervisor. With the 6 interviews with different companies an analyses of the HRM, the e-HRM and the e-HRM readiness will be made. The interviews were used for the chapters: findings and conclusion.

3.3   Data collection & selection

Data are going to be collected through personal interviews with interviewees in Kuwait. Together with the general manager of Exact Software in Kuwait, Rami Kichli, some companies in Kuwait were selected for the research. The interviews have been done with the key HRM and e-HRM users in the selected companies, the HR Manager of the companies. Preferred are the HR managers of companies, because they have a lot knowledge and they have a lot of people under their power. In the interviews open questions will be used, because then he will gets the most information, it is more personal and the researcher can ask some other questions about what the interviewees just said or if he doesn't understand what the interviewees said.

The interviewed companies were: Al-Sayer Group, Golfcryo, Caribou Coffee, Independent Petroleum Group, Diyar United Company and Yaico Medical. The selected companies are a mixture of different companies from different sectors, different size and are originally from different countries. For example Al-Sayer Group is active in all kinds of sectors, Yaico Medical is active in the medical sector, Diyar United Company is active in the ICT sector and Independent Petroleum Group is active in the oil sector. Also the companies have different sizes and they vary from 100 employees at Independent Petroleum Group to 6000 employees at Caribou Coffee. Another difference is that Caribou Coffee is originally from America and for example Yaico Medical is originally from Kuwait. Most of the companies have organizations in Kuwait and also outside Kuwait.

In these organizations there were interviews with the HR-managers, because they know how the HRM of their company works and how employees in the departments work. This HR-manager is on top of HRM and can say a lot about the HRM in the company and represents the company in HRM.

3.4   Sample size

The sample size is six companies in Kuwait which do not have implemented (or not much) e-HRM applications and companies which use e-HRM applications for their HRM practices. The companies will be active in different branches, like trade, manufacturing, service etcetera. With these six organizations it is possible to give the reader a good image of HRM, e-HRM and e-HRM readiness in Kuwait.

3.5   Selected companies

This paragraph is an introduction into the selected companies for the interviews. The companies selected companies are: Al Sayer Group, Gulf Cryo, Caribou Coffee, Independent Petroleum Group, Diyar United Company and Yiaco Medical. In each organization was an interview with the HR-manager about the subjects HRM, e-HRM and e-HRM readiness.

Al Sayer Group:

Al Sayer Group was founded in 1954. Now the Al-Sayer Group is a diversified business group and the Group is active in different business groups. They operate in the following business groups: automobile (MNSS), car-rental and lease (Al-Sayer rent a car), vehicle and other insurances (Al Sayer Insurance Brokerage), general trading and contracting (Bahrah Trading), Tyres & Oil & Paints (TOP), bottling of carbonated and non carbonated drinks (Al-Sayer soft drinks factory), import of various products (United Marketing Co.)(for example: Toblerone and Côte d'Or) and the Kuwait Animal Feed Factory. The Al Sayer Group is based in Kuwait and the United Arabic Emirates. The Al Sayer Group is also doing business with Europe, Russia and China. The organization has 2000+ employees in Kuwait and included all the sister companies it will have 3000+ employees.

Gulf Cryo:

Gulf Cryo is a closed shareholding company operating in the industrial gas field in the Middle East, founded as Kuwait Oxygen Company in 1953. It is the largest manufacturer of industrial, medical and specialty gases in the Gulf Region. Some of the gases are: air-, rare-, elemental- and compound gases. The organization completes line gases from 19 manufacturing plants and products supply lines through a distribution network of pipelines, intermediate bulk containers and tanker truck fleets. Gulf Cryo has approximately 800 employees worldwide and in Kuwait there are 370 employees. Gulf Cryo comprises several affiliated companies and it is based in Kuwait, United Arab Emirates, Qatar, Saudi Arabia, Jordan, Syria and Pakistan. Soon will Gulf Cryo also manufacture gases in Oman and Bahrain. The Golfcryo organization is the biggest in Kuwait and after that in the United Arab Emirates.

Caribou coffee:

Caribou coffee is a store chain of coffee shops all over the world. It was founded in 1992 and Caribou Coffee has almost 500 company-owned locations. The organization is present in locations in 16 US states and the District of Colombia and also in several countries outside the United States. Caribou coffee has more than 6,000 employees. Here in Kuwait Caribou Coffee has 24 coffee shops and in the United Arab Emirates there are also around 24 braches. In 2009 six more stores will be opened in Kuwait. Caribou Coffee started in 2006 in Kuwait, so it is a new organization which faces a lot of new things. There biggest competitor is Starbucks. There is also franchising and wholesale in the company.

Independent Petroleum Group:

Independent Petroleum Group (IPG) was established in 1976 and became a public limited company in 1995. The firm headquartered in Kuwait initially relied solely on oil trading activities; however, in 1999 diversified its now worldwide operations into trading and marketing of crude oil, petroleum products, LPG, petrochemicals and fertilizers.

Further to these core activities, IPG has interests in terminal and distribution facilities, pipelines, shipping, petroleum storage facilities, and consulting services in the petroleum petrochemical fields.

The head office of IPG is in Kuwait and the other offices are in London, Dubai, Singapore, South-Africa and Mozambique. IPG is not active in Kuwait; they only have business out of Kuwait. It is a competitor of Kuwait Petroleum Company. In the head office in Kuwait are working 100 employees and in total Independent Petroleum Group has 140 employees.

IPG is currently a unique niche player focusing its activities on special, high return markets in the Red Sea, East Africa and the Indian Sub-Continent. The company has existing and operating projects with the following subsidiaries, associates and affiliates: D&K Shipping Ltd (Bermuda, 50%); Uniterminals SAL (Lebanon, 50%); Arabtank Terminal Company (Saudi Arabia, 36.)

Diyar United Company:

Diyar United Company (DUC) is a leading regional Information and Communication Technology Company. The company was founded in 1980, Diyar United has been in the business of providing innovative Information Technology solutions, products and services in state of Kuwait, but now the organization is also providing solutions in the Middle East region. The countries where they do this are: United Arab Emirates, Qatar and Saudi-Arabia. Soon they will also have a company in Iraq. Diyar United Company has solutions for: government, oil, telecommunication, health, transportation, cross industry and infrastructure companies.

The company has 500+ employees and it is a partner of large global IT solutions companies, like: Microsoft, Oracle, IBM, Cisco, Adobe, Sun etcetera.

Yiaco Medical CO. K.S.C.C.

Yiaco was founded in 1952 and it is a medical company that provides companies and hospitals with medical equipment and medicines. They have a market share around the 50% and they had a turnover of 60 million Kuwait Dinar last year. They are suppliers and Yiaco Medical was a family business, but now not anymore because they are now a public company which is active on the stock market. The organization has 100 principals and has around the 800 employees.

Chapter 4: Findings

The findings are composed by six interviews with HR-managers in Kuwait. We will discuss the findings of the following subjects: HRM in Kuwait, HRM versus Personnel management, types of HRM, the Harvard model versus the Michigan model, HRM practices, e-HRM in Kuwait, types of e-HRM and e-HRM readiness.

Of course not all the companies are doing the same in the specific areas and there are some explanations for the differences between the selected companies. Of course the size of the company matters, because a bigger company will be better organized and will be more professional. Other explanations are: the experience of some companies and organizations in all parts of the world. Also the knowledge of the HR managers and the education of the HR department has to do with the performance of HRM in a company. These were some explanations for the differences in findings between the selected companies.

HRM in Kuwait

The general explanation of HRM in this research is: "a strategic approach to managing employment relations which emphasizes that leveraging people's capabilities is critical to achieving sustainable competitive advantage, this being achieved through a distinctive set of integrated employment policies, programmes and practices" (Bratton & Gold, 2003). Overall, if you look at the HRM in Kuwait then the sentence above is not perfectly elaborated and the HRM in Kuwait can be improved. The HR-manager from Yiaco Medical said: "There are a lot of HR-managers with a bad education in Kuwait and there are a lot of HR-managers in Kuwait with not enough knowledge about HRM." Human Resource Management is not good executed. Human Resource Management does not add so much value to a company in Kuwait. The HRM in Kuwait for example could focus more on e-learning, could use e-HRM more and in a better way, could have better appraisal, measure the performances better and could be more strategic. So HRM is not so developed in Kuwait and in the past HRM was totally not important. The HR-manager from Yiaco Medical said after the sentence above: "Nowadays the well-educated HR-managers and the big companies see the added value of good HRM in companies (see the paragraph HRM and performances) and they see if they want to compete with the rest of the world, they have to develop their HRM more and adjust it better to their company." So the HRM in Kuwait is not so developed as in 'the West', but this is changing. Kuwait is getting a balance between the high competences/educational level and the lower level. The Human Resources were not very important but now the big and international companies in Kuwait try to be the leader and the benchmark for a better Human Resource Management in Kuwait.

So HRM is recently introduced in Kuwait and it started in the Western countries. Most of the companies are not aware of HRM and the HR-managers did not see a reason to adopt it in their companies. But how does the HRM in general looks like in Kuwait? HRM in Kuwait tries to be the same as that in 'the West' and try to take their HRM as an example.

But what is the difference between HRM in Kuwait and the rest of the world? The HR-manager of Diyar United Company said: "HRM has also to do with culture". Every country has a different culture so there is a different HRM in those countries. The organizations in Kuwait did not talk a lot about

culture and values in the past, but if they want to use HRM in the right way they have to. The differences between HRM in different companies also have to do with the labor laws and the rules in the related countries. So the privacy, the law, the culture, the environment and the social issues have to be respected. Also a typical about Kuwait is that it has so many expatriates with different cultures and that makes it difficult. Kuwait is a country that is quick, opportunistic and influenced by personal efforts. So HRM depends heavily on people. The systems in Kuwait are not strong enough to control the business, so with personnel influence and HRM there can be a change.

The government in Kuwait has a big influence in Kuwait. The government gives privileges to Kuwaiti, gives high wages for people working in the public sector and offers locals a job. So the government really supports the Kuwaitis and that is why they also support the national companies. So the government gives a priority to national companies and it is hard for international companies to compete with the national companies. These companies and the Kuwaitis are treated lavish and that results in the fact that HRM is not focusing enough on values, development, strategy and culture.

HRM in Kuwait could be more useful and efficient it the companies use it in the right way. The strategic aspect of HRM is not presented in much companies and a lot of possibilities of HRM and e-HRM are not used or not used enough. Companies have to get the most out of the employees, have to develop employees more, how to use HRM in a strategic way and have to analyze performances better. This needs to be solved and to be improved. So everybody in Kuwait talks about HRM, but is it really HRM or is it more Personnel Management? The employees are very important in a company and if they are treated in the right way, then the companies will benefit from it. Also the effective use of e-HRM can lead to more time for HR-managers for more important things than administrative tasks. In the next paragraphs you will read more about the HRM practices in Kuwait and the question if Kuwait uses HRM or Personnel Management will be answered.

The end of this paragraph is about the future of HRM in the Middle East. There is no Middle Eastern HRM model, but we can talk about HRM in the Middle East. All countries use different policies and practices and in the future it will lead more to a divergence than a convergence between and within Middle Eastern countries (the economical and institutional factors are different). What is also remarkable in Kuwait is that trade unions and strikes are not allowed (Mellahi & Budwhar, 2006)

So there is no Middle Eastern HRM model, but what are the characteristics of the HRM in the Middle East? In this case we will only look to the Gulf States, so we are talking about the countries: Bahrain, Kuwait, United Arab Emirates, Qatar, Oman and Saudi-Arabia. These countries are all very rich, because of the oil and so they are able to invest lots of money in for example better education. There are different types of employees in the countries and a lot of nationalities. These countries extensively use expatriates both at professional levels, because of the shortage of home-grown experts, and at the shop floor manual work level, because the locals are not prepared/willing to do the low-paid/esteemed work. The Islam is very important in companies and you can find it everywhere in the organization. It encourages dedication to work, cooperation and harmony. Also the Bedouin way of life can be found in the companies and the HRM practices of companies. The Arabs are highly collectivist with a strong sense of loyalty to their in-group (family, relatives and friends). This group-orientation can be traced down to their Bedouin tradition, which reinforces customs such as consultation, obedience to seniors, loyalty to face-to-face interaction and networks of personal connections. The loyalty to the group resulted in a low tolerance for new ideas. So the social relation in the Middle East is very important. Also the role of the government has advantages and disadvantages for HRM in the Middle East. The generous government 'spoils' the locals, but also steers the direction and evolution of HRM. The rewarding in the Gulf States is often not on performance, but on the employees' degree of loyalty to their managers (Tayeb, 2008).

In the book, International human resource management: a multinational company perspective (Tayeb, 2005) the next table will show HRM and other employee related values and practices in the Middle East:
- A strong preference for participative and consultative style
- Dislike of autocratic and authoritarian management style
- But managers tend to adopt an authoritarian management style
- Subordinates expect to be consulted about decisions but they do not expect participation in the decision making process
- Practice of senior managers getting together on a regular basis with employees and supervisors from various levels
- Encourage subordinates to formulate solutions to problems before coming to senior management with a statement of the difficulty
- Management culture based on talking, not writing
- Explicit decision-making culture based on interpersonal connections
- Network takes precedence over loyalty to the firm
- Productivity and performance largely disconnected from pay and promotion
- A strong preference for power and role and less for achievement and support
- Respect for seniority
- Preference for job security
- A lack of relevant HRM policies and management development and planning
- A lack of delegation of authority, highly personalised superior –subordinates relationships deriving from loyalty to individuals and paternalistic and hierarchical organizational relationships
- Widespread lack of use of western style management practices such as assessment centres
- Extensive use of expatriate managers
- Discrimination between locals and expatriates
- Gender discrimination and some degree of occupational segregation
- No serious independent labour union movement/trade union

HRM versus Personnel Management

According to chapter 2, the literature review, the differences between HRM and Personnel Management are that HRM is proactive and focused on the long term and Personnel Management is bureaucratic, reactive and focused on the short term. All the interviewees said: "there is a big difference between the two" and the HR-managers gave some other differences. The HR-manager from Golfcryo said: "Personnel management is more related to the employee and HRM is more related to the employee and the organization. HRM is more related to training and hiring. HRM is about how to get the most out of human that result in the best for the company and the employee." The HR-manager from Independent Petroleum Group said: "The work of the Personnel Management is mostly administrative work and it does not develop employees, invest in employees or uses good recruitment techniques". HRM looks more to the added value of jobs, development, compensation skills etcetera. Only the big (international) companies in Kuwait use HRM and personnel management is focused on the administrative policy. So does Kuwait use HRM or is it still more focused on Personnel Management?

According to the interviewed managers and the image of HRM in Kuwait, Kuwait is more focused on Personnel Management than on Human Resource Management. A lot of companies did not have implemented HRM, do not use HRM in the right way or do not have the capable people for HRM. The companies use their HRM department or Personnel department more for administrative tasks. The companies are trying to focus more on appraisal and strategic management and try to let HRM participate in all the functions of the company, but companies are still too much focused on the administrative tasks. These tasks are for example: payroll, vacation days, provide civil id's etcetera. Also in the e-HRM perspective, more about that later, you can see that e-HRM is often used for administrative tasks and not for other possibilities that the software offers and that does not make the work much more easy and quick.

The current situation is converting and more and more businesses are focusing on HRM and e-HRM. The HR-managers are better trained, have more knowledge and also a lot of HR-managers are arrived from 'the West' and good universities. All the interviewed companies were relatively big companies and they said that they all use HRM in their company. The big companies and also the international companies know that HRM can play a very important role in companies and it has to be used in the right way to compete with other countries. So companies in Kuwait switch slowly to HRM and will focus more on proper training, strategy management, performance appraisal, man power planning and development. The next question is which type of HRM suits this focus of HRM in Kuwait?

Types of HRM

In the literature review three types of HRM were mentioned: operational HRM, relational HRM and transformational HRM. Operational HRM is the basic for HRM activities in the administrative area. Relational HRM exists out of more advanced HRM activities and it supports the basis business processes such as recruiting and selecting personnel, training, performance management and appraisal and rewards. Transformational HRM has a strategic character and refers to activities like knowledge management, information management and strategic competence management.

The types of HRM presented in Kuwait are the operational HRM and the relational HRM. A very small amount of companies use knowledge management, information management and strategic competence management. Because HRM in Kuwait is not very developed and is still focussed more on the administrative tasks, the accent lies on the administrative area and HRM activities that support the business processes such as the inflow and the run-through of personnel. The companies scored good on the HRM practices, but some aspects need to get some attention.

The companies use their Human Resource Management department to support the business processes. The department takes care of the recruitment, training, appraisal and rewards of the employees. Some companies try to implement e-HRM or have implemented it and with that software they try to run their business processes. The idea of the companies Caribou Coffee and Al-Sayer Group is that they want to start with a fully integrated e-solution and they want to start with Key Performance Indicators. Also Al-Sayer Group wants to start with a new competence framework. All this shows that HRM is developing in Kuwait and that they want to reach the last type of HRM.

The Harvard model versus the Michigan model

After discussing the types of HRM in Kuwait we will now look which model fits Kuwait the best. The Harvard is the softer model and the Michigan model is the harder model. The Harvard model sees employees as Human Resources, they are fundamentally different from other resources. The Michigan model is harder, less humanistic and the employees are the same as other resources in the company and are treated in that way.

HRM becomes popular in the Middle East, but before employees were the same as other resources in the company. So Kuwait followed the harder and less humanistic model, because the HR-managers did not have the know-how and employees did not have a big value in the company and that was why they were treated the same as every other resource. The resource need to be used effectively and efficient and selection, performance, appraisal, rewards and development are the most important points to achieve. Now this will change, because more companies see that HRM is important and focus more on HRM and as a result they will not see Human Resources the same as other resources. A few companies use the Harvard model and a lot of companies will follow, because they will add value to their companies by using good HRM and will appreciate employees more in the company. After we know about Kuwait which model they use and which types of HRM are presented, we will now look at the HRM practices in Kuwait.

HRM practices

Inflow of personnel

The inflow of personnel is about the recruitment process in Kuwait. During the interviews it became clear that almost all the companies have the same recruitment process and that they use it in a way with lots of different recruitment techniques and processes. The recruitment process looks like the 'state of the art' HRM and looks like the process in 'the West'

Some of the selected companies had a small deviation from the following recruitment process, but most of them uses the following process. At the end of the year all departments of the selected companies made a Man Power Planning/Budget and look how many employees would be needed next year. So after the decision to hire a new employee, the search for the new employee starts. The companies use a lot of media to recruit people, some of these media are: extern bureaus, newspapers, their own website, online recruitment agencies, databases and head-hunters. After a few people are selected, they will have an interview with the HR-manager and the supervisor of the department. The HR-manager looks if the person has the right attitude and personality and the supervisor of the department looks if the person has the right skills. The HR-manager and the supervisor discuss their findings about the person and after that they decide to hire him or not. In some companies the supervisor of the recruitment process has to make the decision, in some organizations the HRM department does and in some companies they make the decision together. After this whole process a new employee is added to the company.

Most of the employees are recruited from outside the organization, but also in all the companies there is the possibility to promote. Most of the companies encourage to promote and first look in the own organization for new functions for employees and after that recruit from outside the organization.

The selection criterions for all the HR-managers are: interview, educational skills, interpersonal skills, functional skills, hospitality, competences, integrity and the ability to develop & grow.

So the recruitment process looks like the 'state of the art' HRM and there are not many differences between Kuwait and 'the West' about the recruitment. There are different media used for recruiting the best people, there is a planning and there is promotion in the companies. But what can be improved in the selection and recruitment process of the HR-managers? Most of the HR-managers were satisfied with the process, but one improvement could be to improve the competence based recruitment and selection. By improving this, better employees will be hired.

Run-through of personnel

The run-through of personnel consists of three aspects: appraising, rewarding and training and development.

Appraising

Once a year at the end of the year the selected companies appraise their employees. The supervisor of the department appraises the employees in the department and sometimes also someone from the HRM is there. HRM normally checks the recommendations and checks the validation. But how does the appraisal looks like in the companies in Kuwait?

The organizations in Kuwait appraise in two different ways. The four companies with Al-Sayer Group and Caribou Coffee as exception appraise the employees with an appraisal form and this appraisal form is filled in by the supervisor of the department about the employee. In some companies the employee also has to fill in an appraisal form by his/her own. Each person has a specific form that depends on the function and the level of the job. After the appraisal form is filled in the employee and the supervisor discuss the form and the employee can react on the appraisal. At the end of the discussion there will be recommendations and both groups have to sign the appraisal form.

The other way is the more professional appraisal and it was used by Al-Sayer Group. This company appraises by Key Performance Indicator (KPI). It is an identification of training needs and the development plan and it is combined with the rewards system. Also Caribou Coffee wants to start with the Key Performance Indicators in September 2009.

Also the performances are measured during the appraisal and both groups look at the competences (must to have competences and specific competences) and performances of the employee. It is difficult for many companies to measure the performance, because it is not tangible. Also for some groups in the company it is easier to measure the performance than in other groups.

So in Kuwait they use an appraisal form for the appraisal and some companies start to appraise and measure performance by Key Performance Indicators. It is difficult to measure performance and it needs to be done very good. The measure of performance and the appraisal should be improved in Kuwait, so that employees develop more and can add more value to the company. So also another way of appraisal could be used instead of the form so it will be more specific and better. The Key Performance Indicators are a good example, but also the conversations with the supervisor and the HRM department are very important, to discuss employee's tasks and performances.

The HR-manager from Golfcryo gave the following improvements for the appraisal:
"Appraisal needs to be more fair and it needs to be according to levels, in this way appraisal will become more touchable"

The HR-manager from Diyar United Company said: "Not only let the employer appraises the employee but also let the employee appraises the employer and in this appraise the top management's doing and organization."

"Al-Sayer Group wants to include de behavioral indicators into the appraisal (smiling, sitting)."

Yiaco Medical said: "Instead of appraise once a year, the appraisal should be twice a year. It will cost time and effort, but the performance will be measured better."

Rewarding

The rewarding in Kuwait is not very special and not very different from the rewarding in 'the West'. Everybody gets a fixed salary and there are some extra incentives or bonuses when the company is doing well or if you as an employee do some good work, reach targets, develop or perform well. In most of the companies also team performances are rewarded, but sometimes it is not possible, because the company does not work in teams. Also all the selected companies think that mistakes can be made and sometimes negative rewards will be given in the companies. So the rewarding in Kuwait is a motivator, because good performances are rewarded and this will result in development and achievement of targets. Al-Sayer Group thinks that the rewarding can be improved with more benefits for the employee, like: a better insurance, pension plan, define contribution and payment of the ticket of the expatriate to their home country.

Training and development

The rewarding and own initiative stimulate people to develop. Also the training for employees will develop the work of the employees. Al-Sayer Group stimulates the development of employees by the possibility of promotion, succession planning and if they pass a test they will get a higher salary. Most of the trainings in Kuwait are classical trainings inside or outside the company. Training via the computer or e-learning is not used a lot in Kuwait, only two of the selected companies use it often: Diyar United Company and Al-Sayer Group. So in this aspect of the run-through of personnel is something that can be improved improve and Kuwait is behind in all this with 'the West'. There are a lot of advantages of e-learning and it will be good for companies to implement more electronic training, because it saves time, the company does not have to have a big room, the training can be done any time etcetera.

Some of the trainings are obliged to stay up-to-date and have the right knowledge, but it is also up to the employee to train and develop themselves. One company, Diyar United Company, uses e-mail shots that will reach the employee if he has to do some training and to encourage him to develop his career. This is an idea that can be used in more companies to remind employees of training and development.

The manager from Diyar United Company also gave a suggestion to improve the training and development process: "Make a plan for training so you can evaluate it at the end and an improvement can be the found in the structure of training and development. In this way there should be a better view of the return of investment of a training."

Outflow of personnel

After the recruitment, the appraisal, the rewarding and the training and development follows the outflow of personnel. There are different reasons for leaving the company. The most important reasons to leave a company in Kuwait are: employees are going back to their home countries, family circumstances, no career development opportunities, employees are terminated, retirement, employees want a change and employees don't like their managers.

In each of the selected companies in Kuwait are exit interviews with the employees who left the company voluntary. In these interviews the HR-manager talks with the ex-employee about the reason for leaving and the opinion of the company and the managers. This information is given to the top management and they decide what to do with the exit interviews.

Now we attended the outflow of personnel, all the HRM practices are attended. The overall opinion and situation of the HRM practices is good and some attention can be given to the appraisal, the performance and the electronic trainings. About all this, more in the conclusion in the next chapter.

Being in Kuwait, observing organizations in Kuwait and talking with a lot of (business) people in Kuwait showed that there is a huge difference between Kuwaiti and non-Kuwaiti. Some differences are for example that most of the Kuwaiti work in the public sector and earn more money than expatriates and that a part of the income from oil goes from the government to the Kuwaiti. Also the government takes care of unemployed Kuwaiti and Kuwaiti students who just graduated, by giving them a job. In HRM it is about people and that is why it is important to take these differences in account.

Three groups in Kuwait can be distinguished: the Kuwaiti, the expatriates (non-Kuwaiti) and the lower class. The Kuwaiti are the people with a Kuwaiti nationality. The expatriates are the people with an education who go to Kuwait for a good job. The lower class people are the people who go to Kuwait for a better life and they will have to do the bad work, like being a tea-boy, take care of the garden, clean the streets, house-cleaners etcetera. These lower class people are discriminated in terms of pay, working conditions and employee rights. There is also discrimination of women in terms of job opportunity, recruitment, promotion prospects and pay.

Because there are big differences between these groups also the HRM practices will be not the same for all the groups, so in this part we will look at the differences for the different groups considering the HRM practices.

Inflow of personnel
The government gives locals jobs and that's why a lot of Kuwaiti are recruited for governmental jobs. The expatriates go to Kuwait to find a job for a few years (until the contract ends) or are recruited by Kuwaiti companies. The lower class comes to work in Kuwait for the money they get for their work, because it is more than in their poor home country. So the major reason for the people to work in Kuwait is the high wages. Al-Sayer Group and Caribou Coffee said: "there is a difference in ranking the people for recruitment". So it is possible that in one company the preference goes to Kuwaiti, then to Europeans, then they look for people from the Gulf, then to people to the Middle-East and then to people from other countries. So nationality has an influence on the recruitment process.

Run-through of personnel
Appraising
As told before the Kuwaiti are privileged, so they are also privileged in the appraisal. Kuwaiti do not work very hard and efficient, but with some rules it is difficult to fire them. So Kuwaiti are not appraised very strict and are not terminated so much as the two other groups. The expatriates get the normal treatment of appraising. The lower classes are often discriminated and are really treated very bad.

Rewarding
As told before, the wages in Kuwait are high. They are for example higher than those in Europe and another advantage is that employees do not have to pay taxes in Kuwait. The Kuwaiti get a higher wage than other people with the same tasks in the same company. The expatriates get a very good wage and the lower class gets a very low wage for the very bad work they have to do.

Developing and training
The lower class doesn't get any training because they do not need it for their simple tasks, so they also do not get any development possibilities. The government gives the Kuwaiti training and courses to train them for a specific job where there are some vacancies. In a company there is not much difference between the amount of training and development of Kuwaiti and expatriates, but normally the expatriates are more motivated and enthusiastic to develop and to work hard.

Outflow of personnel
The outflow of personnel in Kuwait is pretty big. Most of the expatriates get a contract for a year or a few years and after that contract their sponsorship ends and that means that they have to leave Kuwait. Most of the lower class stays in Kuwait, because from the money they make they can just make a living. The employees leave the company for normal reasons like: retirement, termination, work too far away from their home, a new career development etcetera.

My supervisor, Huub Ruël, also said: "In some companies there are also two HR departments, one for Kuwaiti and one for non-Kuwaiti. There are also some differences in the use of e-HRM between the groups. For example the lower class will not have an e-mail account in the business and they cannot log in on the ERP system of the company. The expatriates and the Kuwaiti are equal in this e-HRM aspect and they have access to ERP systems, have an e-mail account etcetera.

So the different groups in Kuwait are also treated different. The next paragraphs are about e-HRM and e-HRM readiness.

e-HRM in Kuwait

In this research the definition of e-HRM is: e-HRM supports and automates HRM processes through the use of IT. How is the situation of e-HRM in companies in Kuwait? In some sort of way all the selected companies use IT in their companies. Some companies really use it as a way to support and automate HRM processes and some companies only use it as a way to automate HRM processes and use it for administrative tasks only. The perfect scenario is that companies have fully integrated software (an Enterprise Resource Planning-system) in their company, so that every department has access and that it will manage HRM electronic. For example the HRM department has the possibilities to do much more activities via the system and can get a lot of information from the employees (performance, job description, promotion possibilities, appraisal) via the system. In this way it makes work easy and quick.

Two advantages of e-HRM were already mentioned, make work easier and more quick, other advantages are: efficiency, reduction of administrative work, facilitate workflow, facilitate annual reward management, a database, more control, more space, documents will not be lost and useful tools. Also one company, Diyar United Company, gives as an advantage that the e-HRM supplier is a partner of the company and that will result in a discount.

The small companies in Kuwait will not use e-HRM, because the investment is too big and it will not be profitable for them, because they are too small. The selected companies all use the systems for different purposes and some only use it as a database, others have different programs for the HRM practices, some want to implement a fully integrated system very soon and some already have an integrated system.

Golfcryo and Al-Sayer Group are two companies that have an IT system in their company and they work with different small programs, for example for payroll and time attendance, and they want to put all these small programs in a fully integrated system from Exact Software. So they really want to switch to e-HRM and use e-HRM to support the HRM practices and give all the employees access to the system. These companies will implement solutions from Exact Software. Caribou Coffee already has those solutions and their solutions manage the administrative, financial and management tasks.

Diyar United Company used e-HRM as a Human Resource Management System, but because of the bad functionality, the bad support and a lot of bugs, they stopped working with the system. It was a sort of database, so it was not managing the HR management aspects. There was no performance appraisal, no transactions and there was no Human Resource planning in the system. Also Independent Petroleum Group used a Human Resource Management System and it gives information about the employees (name, age, working years). These systems do not manage HRM, but it can help you with managing HRM. Because of the complains of Diyar United Company, they will implement a new ERP-system from Oracle (competitor Exact Software), which gives the company the possibility to manage HRM via the system in a much better way and with much more features. Also Yiaco Medical uses e-HRM and the e-HRM part you will find in their ERP-system, for example recruitment, performance appraisal etcetera. The ERP-system is not as a control mechanism in the company, but to facilitate the work of the HRM department and other departments.

In the case of Independent Petroleum Group only the higher leveled HR personnel and the IT managers have access to the database, but in all the other cases the whole organization has access to the system. Of course not everybody can see everything and there are so called security levels in these companies.

So all the companies use programs for e-HRM, but they all use them in a different way. There is a development going on. Many companies would like to implement or implemented a fully integrated business system that manages a lot of tasks electronically. One of these tasks is HRM. So they are going from a level of no e-HRM at all to a level with e-HRM or they are going from a level of a database to a level with e-HRM. In this way people can see that HRM is getting more important and that also Kuwait does not want to stay behind. They are developing and improving their e-HRM and see the advantages of e-HRM.

Types of e-HRM
So e-HRM is used in most of the selected companies and will be used more in Kuwait in the future. The types of e-HRM distinguished were: publishing information, automation of transactions and transformation of the Human Resources function.

Most of the selected companies use their e-HRM for automation of transactions. So managers and employees can access a database, update information, search for information and make decisions. The company, Independent Petroleum Group uses it only as database and there it has the function of publishing information. On the other hand Al-Sayer Group has plans to align the strategy with the Human Resources. Also a lot of companies have plans for e-HRM and others are implementing the system at this moment, this shows that e-HRM is a hot topic and that it is getting more and more important. More and more companies will focus on e-HRM and that will improve and develop e-HRM.

The small companies will use their system only for a database, but the larger/international companies use it for automation of transactions. In the future the systems will be used for the last of the three types, but Kuwait is not yet ready for this last type.

E-HRM readiness

To research and give a good answer on the question: to what extend are companies in Kuwait ready for e-HRM, there are 3 levels in the organization distinguished: top management, middle-management (line-managers) and the employees.

In the literature review e-HRM readiness was explained as to what extend companies in Kuwait are ready for e-HRM considering the following aspects: the availability of resources (technical resources, financial resources and expertise), the attitude of personnel, the readiness for change and the organizational commitment.

These aspects were not good measurable in the companies and that was why the following three aspects, formulated from the aspects above were used:

- **HR technology expertise**

This aspect is about: does the specific level knows the principle of e-HRM? Do they have the skills to work with e-HRM or can they understand it? Could they communicate with IT-specialists about the requirements for an e-HR application? Could a good e-HRM strategy be developed by the top management?

- **Facilitating conditions**

This aspect includes the questions: Do the respondents think that the organizational and technical infrastructure is ready to support e-HRM or make it possible? (look at the scales developed by Venkatesh et al. 2003 en Marler et al., 2006).

- **Participation in e-HRM implementation**

What is the observed provided contribution to the implemented e-HRM? (see also Barki & Hartwick, 1994).

Top management

The top management knows the principle of e-HRM and HRM gets much more attention in companies than a few years ago. Now there are better educated HR-managers with more knowledge and thess ambitious HR-managers would like to be more effective and more efficient with an e-HR application and will suggest this solution to the top management. The top management knows the principle of e-HRM and that is why more and more e-HR applications are implemented and the business in ERP systems and business software is booming (Exact Software and lots of competitors). The top management does not have to work a lot with the e-HRM and it is for them more a system to control everything in the company. Especially the HRM department (middle-management) will work a lot with the e-HRM and also the employees will work with it, but the top management not really. They will only use it as a control mechanism and they have to invest in it.

The top management is not able to communicate with IT-specialist about the requirements for the e-HRM. E-HRM is a new development in the Middle-East and top management does not have enough knowledge about it. They will not work a lot with the application and don't know exactly what they are talking about. The HR-managers know exactly which features they want and with what kind of requirements. The strategy of the company is developed by the top management, but the e-HRM strategy is in a specialism they do not have enough knowledge about, so to develop a good e-HRM strategy the top management has to discuss it with the middle-management and together develop an e-HRM strategy.

Top management invests a lot in the new e-HR application so they have to be sure about the investment and to be sure that it will add value. Many companies want to implement an ERP system that automates or supports HRM processes. This means that the top management thinks that the organizational and technical infrastructure is ready to support e-HRM. For example at Caribou Coffee the top management decided that an ERP-system should be implemented, so that is why they will start with a fully integrated ERP system, with also an e-HRM feature.

The participation of the top management in the implementation of the e-HRM is to supply the financial resources, be sure the technical infrastructure is okay and to develop an e-HRM strategy for the company. Their participation in Kuwait is not as big as the other levels and e-HRM gets more admission in organizations nowadays.

Middle-management
In the past there were a lot of low-educated HR-managers and the last years the amount of high-educated HR-managers grew. These people have had the right education and know what is important for a company. They know the principle of e-HRM and know that it adds value to HRM, to the company and that it has a lot of advantages. HR-managers in the Middle-East would like to implement e-HRM systems and would like to compete with the rest of the world. The HRM in Kuwait is developing and there is not a lot of experience with e-HRM, so the HR-managers will need to get use to the application. This will lead to some problems and barriers and will give some problems for the communication to the IT-specialist. The experience is very important and that is not really presented in Kuwait. Implementing new systems in a company causes many problems and also companies in Kuwait will have to deal with these problems.

Together with the top management a good strategy has to be developed, so that there is a guide and plan for the future. The strategic approach of HRM and e-HRM is important for the future plan of the company.

Almost all the HR-managers of the selected companies said that the organizational and technical infrastructure were ready for change and was ready to support e-HRM. Most of them are enthusiastic about e-HRM and would like to implement it or already implemented it.

Only one HR-manager, from Yiaco Medical, said that their company was ready for e-HRM, but Kuwait is not ready for e-HRM, because: it depends on some bad HR-managers in Kuwait, who do not add the right people at the right time for the right wages. So there is no good qualification or rewarding in Kuwait. He said the managers do not understand the e-value and do not feed the system with valuable information. So there is uncertainty if the organizational structure is good enough for the implementation of e-HRM.

The technical infrastructure is good, because all the companies have the right hardware and they know how to use the computer. For the implementation and the technical expertise, teams from the supplier of the ERP-system/e-HRM software support the company for a good implementation. There will be a lot of preparation and training before the 'go live' date. The supplier of the software has a lot of knowledge about the system and the possible problems and they will make the system custom-made. Also the HR-managers will get training in the e-HRM application of the system.

The middle-management will use e-HRM pretty often and that is why they provide a huge contribution to the implementation. They will discuss with the IT and the supplier of the application about the requirements, these need to be very clear. The middle-management also needs to confirm everybody about the change and makes everybody enthusiastic for the implementation.

Employees
This level does not know the principles of e-HRM. The employees do not have enough knowledge about HRM and that is why HR-managers have to provide their information about e-HRM. Only the employees in the HRM department know something about e-HRM. This means that the employees in Kuwait need to be informed about e-HR and need to get training about the ERP system and the e-HRM application.

The selected companies provide training for their employees and the implementation time was long so that the employees could get used to the system and the change. The employees cannot communicate about the requirements with the IT staff, because the change is top-down.

The employees in Kuwait think that the technical infrastructure is good, but they have some doubts about the organizational infrastructure. The employees would like to work with the new e-HRM application, because there are a lot of advantages and it makes work easier, but also some employees think that the organizational structure is not good enough and HRM in Kuwait is not good enough developed.

Each employee will use the ERP-system, but especially the employees in the HRM department will use the e-HRM application. With the e-HRM, the work of HRM will become electronic and this needs some skills. Employees do not add much value to the implementation of the e-HRM, they only learn how to work with it. The employees need to support the change, because they need to work with it. So they should be made enthusiastic about the change, because employees do not want very big changes in their job or life.

Overall, the HR technology expertise is improving and is getting better, but also the employees need to be involved in the whole process of getting e-HRM. The facilitating conditions are points of attention. The technical infrastructure is presented, but the organizational structure in some companies will not be ready for e-HRM. The knowledge will be insufficient. The participation of the three levels is enough, only the employees and the top management could be more involved. The knowledge is with the top management and the middle-management and they will normally arrange most things around the new e-HRM system. For the development of HRM in Kuwait it would be good that e-HRM will be introduced into more companies. Some improvements are necessary and some companies are so far that they are ready for e-HRM.

To end this chapter and to give a complete view of the selected companies and give them a score on HRM and e-HRM, the tables below show a ranking of the companies in HRM area and the companies in the e-HRM area. The rankings are based on the interviews with the HR-managers and the result will be a judgement about the six companies.

Ranking HRM

High	Al-Sayer Group Caribou Coffee
Middle	Yiaco Medical Diyar United Company
Low	Golfcryo Independent Petroleum Group

The Al-Sayer Group and Caribou Coffee are doing very good in HRM. The HR-managers have a lot of knowledge. Al-Sayer Group is the most professional, because they are working next to the normal HRM activities, just like the other selected companies, with Key Performance Indicators. They also want to implement competence management, they have different training possibilities, they want to include behavioral indicators into appraisal and they are very ambitious on HRM. An explanation for the good ranking of Al-Sayer Group and Caribou Coffee can be that they are both big companies and Caribou Coffee is also founded in the USA (a country with a more developed HRM and e-HRM area).

Independent Petroleum Group and Golfcryo have the lowest ranking. All the companies were very close to each other and it was difficult to rank them. Independent Petroleum Group was ranked low, because they did not give all their information so not a complete view of their HRM could be made. Golfcryo also scored low, because the recruitment process was not very extended. Also the performance was measured with simple forms and this is not the best way to measure performance, because it is not accurate enough. They are also still making a HRM policy for their company and the impression of the company was that they are not very developed in HRM. Typically enough both are also the smallest companies in the research.

Next to the ranking of HRM, also a ranking of the e-HRM of the companies will follow. Below you can see the ranking of e-HRM.

Ranking e-HRM

High	Yiaco Medical Caribou Coffee
Middle	Al-Sayer Group Diyar United company
Low	Golfcryo Independent Petroleum Group

Yiaco Medical and Caribou Coffee scored the best on the e-HRM ranking. This is because these two companies both use ERP-systems with an e-HRM feature into it, to facilitate the work of the HRM department. Caribou Coffee uses the two products from Exact Software, Globe and Synergy, and the products are used for administrative, financial and management tasks. Al-Sayer Group and Diyar United Company have a middle ranking, because they both have some loose programs for managing HRM and their administrative things, but they are waiting for a good and effective integrated system. Al-Sayer Group is working on this with Exact and Diyar United Company will get it the software from a competitor, Oracle. Independent Petroleum Group and Golfcryo are the companies who score low on e-HRM. This is because Independent Petroleum Group only uses the system in the company as a database of employees' data and not for managing HRM. The access of the system is only for higher leveled personnel. Also Golfcryo scored low, because they have loose programs for the administrative tasks. They will get a higher ranking, because next month they will introduce the new integrated ERP-system from Exact with Exact Synergy and that will make an end to the loose programs. At the moment they are testing it and preparing the company for the implementation.

Of course this ranking is subjective, but it gives a good indication of the performance on HRM and e-HRM of the selected companies. There are no big differences between the companies and a fact is that the size influences the performance of the companies on the aspects.

Chapter 5: Conclusion, discussion and recommendations

After comparing the available literature review with the findings of this study, the conclusions about this research can be formulated. This research gives an answer on the following main question: *"What are the characteristics of HRM in Kuwait? And to what extent are companies in Kuwait ready for e-HRM?"*

The sub questions were:
- "What is HRM and e-HRM?"
- "What are the characteristics of HRM and e-HRM in Kuwait?"
- "What is e-HRM readiness and to what extend is Kuwait e-HRM ready?"

In this research we used the following explanation of HRM: *"a strategic approach to managing employment relations which emphasizes that leveraging people's capabilities is critical to achieving sustainable competitive advantage, this being achieved through a distinctive set of integrated employment policies, programmes and practices"*.

HRM

After the literature review and the different interviews with HR-manages a view of the Human Resource Management in Kuwait was established. The HRM in Kuwait can be characterized by a development in the Personnel management that is just introduced in Kuwait and that is still developing and improving. HRM in Kuwait follows the procedures and methods from the 'state of the art' HRM, these methods are also used in different parts of 'the West'. Human Resource Management is focused on the fields: HR planning, recruitment & selection, training & development, performance evaluation, rewarding & remuneration, career development, employer-employee relations and sickness policies. There is no Middle Eastern HRM model, but we can talk about HRM in the Middle East. All countries use different policies and practices and in the future it will lead to a divergence instead of a convergence between and within Middle Eastern countries (the economical and institutional factors are different). There are more expatriates in Kuwait than locals and one challenge for HR managers in Kuwait is minimizing the differences between locals and foreigners by closing the wage gap, applying similar disciplinary procedures and equal opportunities in training, work practices and promotion. (Mellahi & Budwhar,2006). The religion, the Islam, is very important in countries in the Middle East and people can see the impact of Islamic values, Islamic work ethics and Islamic principles in management and Human Resource Management.

So HRM in Kuwait was introduced a couple of years ago in companies in Kuwait. It started with the big and internationals organizations and it is now incorporated by almost all the companies. That is why the HRM in Kuwait is still developing and could use some improvements to suffice with the 'state of the art' HRM. Some critical fields are appraisal, measuring performance, the strategic part of HRM, e-learning and e-HRM. The name HRM is used in a lot of companies, but most of the companies still use Personnel Management and do not follow the real characteristics of HRM. Still some factors as: strategic planning, focus on the psychological contract, importance of learning in the workplace, focus on the individual, importance of leadership & pro-activeness, a focus on line managers and an attention to measuring HR performance outcomes are not enough elaborated in the HRM in Kuwait. The HRM in Kuwait for example could focus more on e-learning, could use e-HRM

more and in a better way, could have better appraisal, measure the performances better and could be more strategic.

Two reasons for that are: the government and the HR-managers themselves. The government in Kuwait is very generous and they make the Kuwaiti people 'spoiled'. The way of life in Kuwait is very relaxed and because the Kuwaiti get preferences from their government they are a bit lazy. So the people do not work hard and there is no efficiency. On the other side a good point of the government is that it also initiates and steers the direction and evolution of HRM. The other reason is the level of the HR-managers. A lot of HR-managers in Kuwait did not have the right education and cannot bring the right HRM and HRM practices in practice. But nowadays HRM is a hot topic in companies and Kuwait tries to improve this.

So the overall view of HRM in Kuwait is that it is introduced recently and it needs some improvement and development. It is still too much focused on Personnel Management and with good educated HR-managers the companies should focus more on strategic planning, focus on the psychological contract, importance of learning in the workplace, focus on the individual, importance of leadership & pro-activeness, a focus on line managers and an attention to measuring HR performance outcomes to compete with the rest of the world in Human Resource Management.

e-HRM

The definition of e-HRM used in this research was: *"e-HRM supports and automates HRM processes through the use of IT ".*

The situation of the e-HRM and HRM is almost the same, because the HRM in Kuwait is staying behind of that from 'the West'. This has some results for the e-HRM in Kuwait. Some companies, often the bigger companies, are very far with the development of HRM and e-HRM and implemented or are going to implement systems to support and automate their HRM processes online. This is the case in some companies, but the most companies do not use e-HRM in such an intensive way and only use it as a database (Independent Petroleum Group) with employee characteristics. The organizations in Kuwait use it as a database and for important information to take decisions. The next step is that Human Resources can play a more active role in intellectual capital, social capital and knowledge management to create new products and services, improve the service and create value. So the e-HRM in Kuwait is not so focused on the characteristics above. So just like the HRM the e-HRM also needs some improvement and development and in that way result in more advantages like: make work easier and more quick, make work more effective, reduction of administrative work, facilitate workflow, facilitate annual reward management, a database, more control, more space, documents will not be lost and useful tools.

e-HRM readiness

The e-HRM readiness is about the fact if companies in Kuwait are ready to use e-HRM in their company. In this research three levels in the organization were distinguished: top management, middle-management (line-managers) and the employees. And the researcher looked at the following three aspects of e-HRM readiness: HR technology expertise, facilitating conditions and participation in e-HRM implementation.

HR technology expertise

HRM is not a specialism where all the levels in companies in Kuwait have a lot of knowledge of. In Kuwait the HR-managers and the HRM department have most of the knowledge of HRM and also e-HRM. In Kuwait there is not a lot of knowledge about this specialism and the features. So the people like the top management and the employees do not really know what e-HRM is and what the possibilities are. So the employees with knowledge and experience with e-HRM, the HR-managers, have to introduce e-HRM to other employees. With proper training and explanation all the employees in the organization will have the skills and understand the system. Especially the HR-managers will have to make an e-HRM strategy together with the top management for a good e-HRM implementation.

Facilitating conditions

All the levels in Kuwait believe that the technical infrastructure is ready. Kuwait is modern enough and all the technical facilities are presented. The organizational infrastructure of organizations will be a bigger obstacle and can be a problem. Most of the selected companies said that Kuwait is ready for e-HRM and that the organization is also ready for it, it is good for the development and the competiveness in Kuwait. But also some people are more careful and they say that the organizational infrastructure is not good enough for a good e-HRM system. The manager of Yiaco Medical said: "there is no good qualification or rewarding in Kuwait. Managers do not understand the e-value and will not feed the system with valuable information."

Participation in e-HRM implementation

The implemented e-HRM system will have lots of advantages (mentioned before) and this will be a big contribution to the whole company. Everybody in the company will work with the ERP system and the related e-HR application. Most of the provided contribution will come from the HR-managers who have the knowledge and they have to convince the other levels. The top management has to invest money and figure out an e-HRM strategy and the employees have to work with the system.

Overall, the HR technology expertise is good and is getting better, but also the employees need to be involved in the whole process of getting e-HRM and a good e-HRM strategy has to be made. The facilitating conditions can be improved. The technical infrastructure is good, but the organizational structure in some companies will not be ready for e-HRM. The knowledge will be insufficient. The participation of the three levels is enough, only the employees could be more involved. The knowledge is with the top management and the middle-management and they will normally arrange most things around the new e-HRM system. For the development of HRM in Kuwait it would be good that e-HRM is introduced to more companies. There need to be done some things, but some companies in Kuwait are so far that they are ready for e-HRM and lots of companies will follow.

Recommendations

The following recommendations can be derived from this research:

- Invest more money, effort and knowledge in HRM and e-HRM to develop and improve these in Kuwait and get well educated HR-managers with the right knowledge!
- Change from a more Personnel management focused country to a more HRM focused country by implementing HRM practices in companies and implement e-HRM in companies.
- A better, more often and widespread appraisal of performances, for example with Key Performance Indicators.
- Make a plan for training and more e-learning training, because of the advantages (easy, train when there is time, not all the employees at once at a training etcetera)
- Try to let go the Personnel Management and focus more on HRM, such as strategic planning, focus on the psychological contract, importance of learning in the workplace, focus on the individual, importance of leadership & pro-activeness, a focus on line managers and an attention to measuring HR performance outcomes.
- The companies who have are e-HRM ready (good HR technology expertise, facilitating conditions and participation in e-HRM implementation) should implement e-HRM because of the advantages and the development of HRM in Kuwait.
- Take care of a better organizational structure, a better contribution to the e-HRM implementation and an e-HRM strategy to make the implementation of e-HRM more of a success.

These recommendations will improve the HRM and e-HRM in Kuwait, but some recommendations will be more difficult to implement than others and these will need more time. The coming years, when HRM is getting more and more important in Kuwait, then improvements have to be made.

Discussion

Some things that are ready for discussion are the number of companies selected, the diversity of the selected companies, the part about the e-HRM readiness and the recommendations.

The researcher only selected six companies and with these companies he tried to make an analysis about much more companies in Kuwait. More companies would have been better, but there was not enough time for that. So there are not enough companies selected to say something that is really valid about HRM, e-HRM and e-HRM readiness.

Also these six companies were all big companies and maybe it was better if some smaller companies were picked out and which are only active in Kuwait, to give a better view of the subjects of the research. But of course the well-educated HR-managers from the selected companies know a lot of their profession in Kuwait and they know what is happening in that field.

Another point for discussion is the e-HRM readiness. This was a difficult subject and it was not very clear how to measure this. After trying a lot of things, there was an idea and these criteria were used in the research. About the results are some doubts. Maybe some other researchers know different ways to research e-HRM readiness and can give a better view of e-HRM readiness in Kuwait.

The last point of the discussion are the recommendations. Are these recommendations applicable for Kuwait and can they reach these recommendations? The recommendations are long-term recommendations and they are quite standard, but definitely Kuwait can improve its HRM and e-HRM with it.

Despite the discussion points above, the research is an interesting and informative research, with much of (new) information and literature about HRM, e-HRM and e-HRM readiness in Kuwait.

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Chapter 7: Annexes

7.1   Articles

Articles HRM

- An expanded model of the factors affecting the acceptance and effectiveness
- HRM and organizational performance in northern and southern Europe
- Introduction human resource management in the Middle East
- The future of HRM, Gertjan Schuiling
- The impact of human Resource Management practices on perceptions of organizational performance
- Influences on Human Resource Management practices in mulitnational corporations
- Gaining Comp Advantage HRM practices
- Towards a new model of globalizing HRM
- Gender and human resource management in the Middle East
- Comparative HRM European views and perspectives
- Introduction: HRM in the Middle East
- HRM practices in small and medium sized companies
- The relationship between HR practices and firm performance
- HRM and performance: lessons from the Netherlands
- The relationship between HR practices and firm performance: examining causal order
- Developments in Human Resource Management in Iran
- Market forces and the Middle East's new interest in HRM
- Introduction: human resource management in the Middle East
- Placing HR Strategy at the Heart of Business Success
- National Factors Determining Indian and British HRM Practices: An Empirical Study Cultural
- Discontinuity in Arab Management Thought
- Gender and Human Resource Management in the Middle East

Articles e-HRM

- Concepts of e-HRM consequences a categorisation review and suggestion
- Electronic Human Resource Management challenges in the digital era
- Does e-HRM contribute to HRM
- e-HRM effectiveness in a public sector organization a multi-stakeholder perspective
- E-HRM Innovation or Irritation
- Research in e-HRM Review and implication
- Adoption of ERP Software by a University System
- e-HR and Employee Self Service
- explanation on e-HRM (in dutch language)
- Strategic exchange in development of Human Resources Information Systems
- Use of HRIS in the recruitment process
- User Involvement in Software Project Development: A Review of Models
- Human Resource Information Systems: A review and a model development
- Human Resource Information Systems: A review and a empirical analysis
- Organisational Readiness for ERP implementation

- Implementing e-HRM: the readiness of small and medium sized manufacturing companies in Malaysia
- The role of readiness for change in ERP implementation: theoretical bases and empirical validation
- Making Human Resources strategic by going to the Net: reality or myth?
- Leading change: Why transformation efforts fail

7.2 Questionnaire

General questions:

- Who are you?

- What is your function and what are your tasks?

- Could you give an explanation about the company (number of employees, products)?

- What are the characteristics of Kuwait businesses and the way of doing business?

- Do you have an HRM department in your organization?

- What do you think is the difference between the HRM in Kuwait and the rest in the world?

- Does this company use an ERP-system and e-HRM? Why (not)?

- (*If possible*) Who are the users of the e-HRM software in your organization? (Managers, HR managers, employees etc.)?

Introduction:

- What are the organizational objectives of using (e)-HRM in your organization?

- What is the company's HR strategy?

- Do you have formal HRM policies and procedures

- What do you think are the advantages of a good (e)-HRM (results, competitive advantage, accomplish tasks more quickly, increase productivity, effectiveness level, make work easier and other advantages?)?

- What do you think are the problems or barriers of (e)-HRM?

- In which kind of stadium of (e)-HRM is your company? Administrative stadium or advanced HRM activities that support the basis business processes or strategic HRM? *(operational HRM, relational HRM or transformational HRM)*

- (* If possible*) What is the type of Human Resource Information System? (Publishing information, automation of transactions or transformation of the Human Resources function?)

- Do you think there is a difference between HRM and Personnel Management? Why?
  The characteristics of Personnel Management are bureaucratic and reactive and it is focused on the short term. HRM is proactive and is focused on the long term. The bureaucratic structure fits with Personnel Management and an organic structure fits with HRM.

(e)-HRM practices

Inflow of personnel
- What does the recruitment process looks like?
  Which Media?

- Are there a lot people recruited from outside the organization? Who?

- Does your company use an extern bureau for recruitment and selection? Why (not)?

- Which department takes the decision about the recruitment of personnel?

- What is the most important criterion the company selects for?
  Technical skills, fits in the team, you can train him/her, independence, other….

- What are the characteristics the organization selects for?

- Are there promotion possibilities inside the organization?

- Does the organization make a planning of the quantity of new employees you need at a specific moment?

- Is there a difference between the different employees in the easiness of recruiting?

- What can be done better in the selection and recruitment process, do you think?

Run-through of personnel

Appraising
- What kind of personnel tasks are done by line managers and their personnel?
  Recruitment and selection, appraise performances, training etcetera

- Is the personnel involved in the organization? How?

- How does the company appraise?

- Who appraises the personnel and what are the most important appraisal points?

- How does the organization measures the performances (goals, their total performance)?

- How often are there job evaluation conversations?

Rewarding
- How is the personnel rewarded (salary, bonuses, activities, performance bonus)?

- When will the personnel be rewarded?

- And will the team performances also be rewarded?

- Is there also a 'negative reward' when something went completely wrong?

Developing and Training
- How does the company stimulates the development of employees?

- Which training do the employees follow and how much time the employees get for it?

- Is it obligatory for employees to stay up-to-date about knowledge and skills and are some courses obligatory?

- Is it allowed to make mistakes or will they be punished?

- What can be done better in the criticizing, rewarding & developing and training processes, do you think?

Outflow of personnel:
- Is there a high sickness rate in the company and do a lot of employees leave the company? What is your company doing about that?

- What is the most important reason for the outflow of personnel in your company (migration, redundancy, retirement)?

- Are there evaluations? What is discussed in these evaluations?

- What can be done better with the outflow of personnel, do you think?

Readiness for e-HRM
- HR technology expertise
This aspect is about: does the specific level knows the principle of e-HRM? Do they have the skills to work with e-HRM or can they understand it? Could they communicate with IT-specialists about the requirements for an e-HR application? Could a good e-HRM strategy be developed by the top management?

- Facilitating conditions
This aspect includes the questions: Do the respondents think that the organizational and technical infrastructure is ready to support e-HRM or make it possible?

- Participation in e-HRM implementation
What is the observed provided contribution of the levels to the implemented e-HRM?

7.3 Tables

Daadwerkelijk gerealiseerde voordelen van e-HRM	%
Efficiëncy en kostenreductie HRM-processen	32,5
Verbeterde communicatie/samenwerking tussen HRM-afdeling en managers	25,2
Verbeterde communicatie/samenwerking tussen managers en medewerkers	22,7
Sneller kunnen inspelen op veranderingen	20,9
Verbeterde medewerkerstevredenheid	19,6
Verhoogde tevredenheid over HRM-afdeling	16,0
Produktiviteitsstijging van medewerkers	9,8
Verhoogd competentieniveau van medewerkers en/of leidinggevenden	9,2
Geen voordelen gerealiseerd ondanks implementatie e-HRM	2,5
Niet van toepassing	33,1
Anders	9,8

Tabel 1. Daadwerkelijk gerealiseerde voordelen van e-HRM
(Bron: Twynstra Gudde/CKC – e-HRM onderzoek 2002/2003)[2]

The first table examines whether a large number of SMEs in Malaysia are practicing conventional HRM rather than e-HRM (Scale 1-5).

Variables	Mean
Recruitment and selection	2.99
Training and development	2.48
Communication	3.62
Compensation	2.97
Performance appraisal	2.57
Average	2.92

The second table examines if there is a strong relationship between the availability of resources and the feasibility of implementing e-HRM (Scale 1-5).

Variables	Means
Feasibility of implementing e-HRM:	3.47
Financial resources	3.35
Expertise	3.58
Technical infrastructure	3.38
Lack of resources:	3.01
Financial resources	3.05
Expertise	3.18
Technical infrastructure	2.88

The third table is about if employees are ready and receptive for the implementation of e-HRM (Scale 1-5)

Variables	Means
E-HRM is not crucial to my organization	3.02
The advantages of e-HRM are outweighed by the cost implication	3.03
Our staff does not have relevant skills for e-HRM	2.85
My organization lacks the technology needed for e-HRM	2.80
I have concerns related to the lack of security of e-HRM	2.95
E-HRM is too complex to comprehend/understand	2.58
It is important that my organization introduce e-HRM in the next 12 months	3.10