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TECHNOLOGY ACCEPTANCE OF ONLINE SYSTEMS AMONG HUMAN RESOURCE PERSONNEL IN OIL AND GAS COMPANY

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TECHNOLOGY ACCEPTANCE OF ONLINE SYSTEMS AMONG HUMAN RESOURCE PERSONNEL IN OIL AND GAS COMPANY

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A project report submitted in fulfillment of the requirement for the award of Bachelor Degree of Technology Management (Innovation) with Honours

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"I declare that this project is the result of my own research except as cited in the references. The research project has not been for any degree and is not concurrently submitted in candidature of any other degree."

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DEDICATION

This research paper is lovingly dedicated to my parents, Encik Yahya Bin Khalil and Puan Mek Yah Binti Ibrahim, who have been my constant source of inspiration; they have given unconditional support with my studies. I am honored to have their as my parents. Thank you for giving me a chance to prove and improve myself through all my walk of life. To all my family thank you for believing me for allowing me to further my studies. Lastly to my friends, thank you for your understanding and unconditional support to me.

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ABSTRACT

Employees are the important to every organization. Managing the employees is the crucial practice to improve their good feeling towards the organization. This study attempts to examine the technology acceptance of online systems among human resource personnel in Oil and Gas Companies. Online systems to use in among human resource personnel such as Employee Self-Service Systems (ESS) and EDMS (Electronic Document Management Systems) use in human resource department. These companies were treated as the respondents. The respondents were randomly selected from the companies based on the calculation of respondent's selection. Data were collected using structured questionnaire adopted from UTAUT Model and were analyzed using computerized statistical tools, known as SPSS. The data gathered were analyzed using descriptive analysis. Besides that, this research investigates the relationship between the performance expectancy, effort expectancy, and social influence, facilitating conditions and behavioral intention to use behavior. The end of the study, this company uses the technology to improve productivity and gain competitive advantages. The online systems to allow this transformation is argued to be the acceptance are electronic Document Management System (EDMS) and Employee Self Service (ESS). EDMS and ESS can be able improves the accuracy of results and quality of all HR activities or information.

Keywords: Unified Theory of Acceptance and Use of Technology (UTAUT), Electronic Documents Management System (EDMS), Employee Self Service (ESS), Performance Expectancy, Effort Expectancy, Social Influence, Facilitating Conditions, Behavioral intention,

ABSTRAK

Pekerja adalah penting untuk setiap organisasi. Menguruskan pekerja adalah amalan yang penting untuk meningkatkan perasaan yang baik mereka terhadap organisasi. Kajian ini bertujuan untuk mengkaji penerimaan teknologi sistem dalam talian di kalangan kakitangan sumber manusia di Syarikat-syarikat Minyak dan Gas. Sistem dalam talian untuk digunakan dalam kalangan kakitangan sumber manusia seperti pekerja Sistem Self-Service (ESS) dan EDMS (Sistem Pengurusan Dokumen Elektronik) menggunakan di jabatan sumber manusia. Syarikat-syarikat ini telah dirawat sebagai responden. Responden telah dipilih secara rawak daripada syarikat-syarikat berdasarkan pengiraan pemilihan responden. Data dikumpulkan dengan menggunakan soal selidik berstruktur yang diguna pakai dari UTAUT Model dan dianalisis dengan menggunakan alat statistik berkomputer, dikenali sebagai SPSS. Data yang dikumpul dianalisis dengan menggunakan analisis deskriptif. Selain itu, kajian ini mengkaji hubungan antara jangka prestasi, jangka usaha, dan pengaruh sosial, keadaan memudahkan dan niat tingkah laku untuk menggunakan tingkah laku. Akhir kajian ini, syarikat ini menggunakan teknologi untuk meningkatkan produktiviti dan memperoleh kelebihan daya saing. Sistem dalam talian untuk membolehkan transformasi ini diperdebatkan sebagai penerimaan yang sedang elektronik Sistem Pengurusan Dokumen (EDMS) dan Self Service pekerja (ESS). EDMS dan ESS boleh dapat meningkatkan ketepatan keputusan dan kualiti aktiviti-aktiviti sumber manusia atau maklumat.

Kata kunci: Unified Teori Penerimaan dan Penggunaan Teknologi (UTAUT), Dokumen Elektronik Sistem Pengurusan (EDMS), Perkhidmatan sendiri pekerja (ESS), Jangka Prestasi, Usaha Jangka, Pengaruh sosial, Syarat Memudahkan, Niat Kelakuan,

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LIST OF ABBREVIATIONS

ABBRV.	DETAIL
IT	Information Technology
HR	Human Resource
HRM	Human Resources Management
EDMS	Electronic Documents Management System
ESS	Employee Self Service
HRIS	Human Resources Information Systems
UTAUT	Unified Theory of Acceptance and Use of Technology
CM	Content Management
TAM	Technology Acceptance Model
SPSS	Statistical Package for Social Sciences
UTeM	University Teknikal Malaysia Melaka
SPM	Sijil Pelajaran Malaysia
STPM	Sijil Tinggi Pelajaran Malaysia
PE	Performance Expectancy
EE	Effort Expectancy
SI	Social Influence
FC	Facilitating Conditions
MS	Management Support
IV	Independent Variables
DV	Dependent Variables
SD	Strongly Disagree
D	Disagree
N	Neutral
A	Agree
SA	Strongly Agree

CHAPTER 1

INTRODUCTION

1.1 Introduction

Nowadays, technology is being increasingly integrated with office management to facilitate and enhance personnel working. From information technology (IT) management to stimulation and analysis systems are investing in technologies intend to provide the working value for personnel. But, the success of new adoption is violate achieve if staffs at the respective companies unfamiliar with the systems and accept the technology. Technology acceptance might have been proposing to understand the technology adoption. Understanding individual acceptance and use of information technology is one of the most mature of information systems research. However, there is limited research on technology in oil and gas industries. Besides that, the researcher also research in upstream and downstream company such as MSET Engineering Corporation, Rwna Engineering, Bumi Armada Sdn Bhd and so on.

The purpose of this research is to examine the technology acceptance in online systems among human resource in Oil and Gas Upstream Downstream Company. The company uses the technology to improve productivity and gain competitive advantages. The technology acceptance theory has a key role in examination of user behavior and behavioral intention toward the acceptance of new technologies. The researcher studies the domain of technology acceptance has included online systems as a significant contributing characteristic that influencing behavioral intention toward the acceptance of technology.

Information technologies are expected to provide the HR function with the opportunity to create new avenues for contributing to organizational effectiveness. In human resource using information and communication technology services has become an important strategy to achieve competitive advantage for organizations.

1.2 Background of the Study

The Internet has radically affected the human resource management (HRM). By using web based technologies, the HR function is now able to hand over much of its data management and transaction processing responsibility to employees and managers. Now, the researcher does the research know about the company just have an Electronic Documents Management System (EDMS) only. Therefore, the researcher to introduce the company about new system online is an Employee Self Service (ESS).

Electronic Documents Management Systems (EDMS) is a software system for storing and organizing different kinds of documents. This type of system is a more general type of storage system that helps users to organize and store paper or digital documents and a more particular kind of document management system. EDMS refers lost the paper documents and rather more to a software system that handles digital documents. Besides that, these systems may also handle digital scanned versions of original paper documents. Employee Self Service Systems Online is a web based resource where employees can view their personal payroll, benefits, leave information, and also have the ability to update or change personal information. In addition, personnel also can apply leave or allows viewing leave balances; pay slips by online and can other payroll information.

Online systems such as Employee Self Service (ESS) and Electronic Documents Management System (EDMS) are one of the fastest developing trends in the domain of human resources information systems (HRIS). This online system is a new technology in HR innovation to transform the way HR department delivers their service. With this technology, the employees can update their personal information, check their pay slip and justify periods of absenteeism, among other things. Shifting those duties to individual employees allows the organization to reduce the amount of special resources loyal to these activities and allows HR to focus on more strategic functions.

Even though organizations often invest a lot of resources into new online systems, it is still common for these projects have major problems or to fail completely. This technology in the online system, such as ESS and EDMS can to increase the efficiency of an organization and company especially among human resource personnel. The online system must crucial that the end users accept it and actually use it. This studies the online systems technology implementation process in the HR function in Oil and Gas Company. It examines ways in which the behavioral intention of the new system, management and the organizational environment may facilitate personal acceptance and use of online systems. The study limited is to the phenomena of user acceptance from the end user point of view; all the aspects of the technology itself and the implementation process are excluded.

This study focuses on the pre-implementation stage and the theory is based on the Unified Theory of Acceptance and Use of Technology (UTAUT) (Venkatesh, Morris, Davis, and Davis (2003). The company receives important information about its personnel use behavior and behavioral intentions towards the new system, and the characteristics that. The theoretical are that the chosen theories apply to a highly relevant, yet under researched management of ESS and EDMS, and the UTAUT model is extended to examine the effect of organizational factors in technology acceptance and not just the features of the system itself.

1.3 Problem Statement

Every company has a Human Resource department to properly manage staff records. The human resource department is often filled with paperwork, and most of that paperwork has to be properly filed and taken care of, otherwise, it can cause serious issues for this company. But a huge security risk, especially when processing, storing, or sharing confidential information such as employee applications or background checks, health insurance forms, performance reviews, reprimands, or financial information. Now, this company just doing the work use manually not use any systems. Therefore, the researcher suggests to this company in other that to use online systems when doing the work.

Human resource personnel are tasked with managing information from job applicants, employees, and even board members and the challenges can be daunting. From the posting of a position through an employee‟s hiring, management, and departure, detailed information has to be provided, collected, and available to meet organizational and regulatory requirements. Applications, resumes, contracts, credentials, records of disciplinary actions, reviews, union vs. non-union forms and contracts, vacations, overtime, comp time, time off requests, and productivity reports are just the beginning.

That‟s why it‟s crucial that the HR department is organized and working efficiently. Using a document management system is vital to many departments; especially HR. Utilizing a document management system will cut costs, save time and make business processes more efficient. The researcher will help understand the instrumental variable technology acceptance in helping to use online systems in this company can do work for consistency, speed, and better service. It will also show how technology can help comply with regulations by proving consistency and fairness in interactions with employees.

The researcher wants to study and identify variable that measure perform of human resource management effect in Oil and Gas Company. Besides that, the researcher wants to examine characteristics towards behavioral intention of using technology. This research is important because the technology is a key determinant of the success of failure of any organizations. So, the researcher to form the technology acceptance model using UTAUT for human resource in oil and Gas Company to use and improve the online systems in the office management.

The human resource department in this company has evolved over time from the traditional administrative function, primarily responsible for payroll processing, to a more strategic direction of human resource management that can add value to an organization. That‟s why the researcher shows the company to use the online systems in the management. The online systems allow this transformation is argued to be the acceptances are electronic Document Management System (EDMS) and Employee Self Service (ESS). EDMS and ESS can be able to improve the accuracy of results and quality of all HR activities or information.

1.4 Research Questions:

These research questions of the study are three questions:

1. What are the factors that influence user acceptance of online systems?
2. What is the significance of the factors of acceptance by using online systems?
3. What are the relationships of the factors that influence toward behavioral intention to use online systems?

1.5 Research Objectives:

This objective of the study, research using UTAUT with three main objectives in mind:

1. To identify the factors that influence user acceptance of online systems
2. To examine the significance of the factors of acceptance by using online systems
3. To determine the relationship of the factors that influence toward behavioral intention to use online systems

1.6 Scope

The research is about technology acceptance of online systems among human resource personnel in the oil and gas company. In the first phase of the project, the Employee Self-Service Systems (ESS) and EDMS (Electronic Document Management Systems) is an online system.

Features of the Employee Self Service (ESS) are searching and providing basic information of employees of the company, viewing or changing personal data, address, tax data, personal documents, family, academic and records, bank data, health insurance, registered working time and affiliations. These systems also can view and justification of absence, can know about holiday planning and scheduling and exchanging shifts if staffs needed or work shifts. ESS is an online service available to eligible employees that provides a convenient and secure way for a user to access the personnel personal information from work or at home. Personnel can assess this system at anywhere and anytime.

The personnel asses the ESS must have an employee's username and password. For example, every manager should be able to approve workflows resulting from claims of a worker. The manager should be able to view the basic information of the worker, his academic records, performance evaluation results, absences and work time, as well as hours and shift changes.

But, Electronic Documents Management Systems (EDMS) just manage the control, storage and creation of documents electronically only. The function of an EDMS is to manage electronic information within an organization's workflow. A basic EDMS should include document management, workflow, text retrieval, and imaging. An EDMS must be capable of maintaining the context, executing disposition instructions and providing secure access to all records in the system. This also can share the document for the paperless. For example, personnel at commercial department update the tender and then they need the information from human resource just open the EDMS login by password.

Finally, they can get any information from human resource. This online system just can use in the inside company only, but not using outside the company. The human resource department (HR) is often filled with paperwork, and most of that paperwork has to be properly filed and it can cause serious issues for your organization. That‟s why it‟s crucial that the HR department is organized and working efficiently. Using a document management system is vital to many departments, especially HR. Utilizing a document management system will cut costs, save time and make business processes more efficient.

1.7 Limitation

The study has several limitations that should be noted. First, the questionnaire approach is not free of subjectivity in the respondents. The questionnaire was in English and it was sent to employees or human resource personnel in the oil and Gas Company. This concern was raised when some of the reversed questions showed clearly some exceptions in the answering patterns. One of these questions was eventually removed.

Second, the researcher had limitations the respondents. The respondents are in oil and Gas Company. For respondents consist of all employees in the company, especially among human resource personnel. Moreover, the researcher also has limits to the term time for doing this research.

Another limitation of the study is that the data is cross-sectional and not longitudinal in nature. Moreover, the study was conducted in the pre-implementation phase, where the respondents had not yet had a possibility to test the system and all the answers about the technology itself are based on perceptions. Besides that, there are cultural dimensions that can affect technology acceptance. Additionally, there might be other influencing factors related specifically to the technology that personnel completed the work.

1.8 Key Assumptions of the Study

The researcher assumes respondent will be honest to answer the questionnaire. Besides that, the researcher assumes the cooperation from respondent during the distribution of questionnaires. In addition, the researcher also assumes this researcher also this researcher is practical and useful for in oil and gas company.