A PRELIMINARY STUDY ON INTERNET IMPACT S TOWARD HUMAN RESOURCES OPERATION: A CASE OF SELECTED HR AGENCIES IN KUALA LUMPUR

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ABSTRACT

The impact of Information and Communication Technologies has been one of the most exciting major events in the 20th century. The reason why the internet seems all-powerful is because it has two characteristics no other mechanism possesses: First, the internet contains the biggest resource of information in the entire world; second, it enables people to obtain an interactive platform to instantly communicate with each other. The internet has attracted a great deal of interest in the field of human resources. Employers are increasingly turning to the web as a recruitment tool because online techniques are relatively cheap, are more dynamic and can often produce faster results than traditional methods of recruitment. This has impacted negatively on the operations of human resources agencies. A second school of thought believes that the advent of the internet has been positive through the introduction of more efficient tools for effective human resources management. This study provides insights into the impact of the internet on the management and operations of human resources agencies. The internet is shown as providing a whole set of challenges and opportunities for the human resources agency sector. The study shows that human resources agencies continue to play a key role in terms of defining and controlling the overall recruitment strategy and ensuring that systems are flexible to meet changing recruitment needs. All agencies face a threat from "side intermediation" because of the ways in which new technologies enable companies to recruit quickly at a relatively low cost. However, the overriding lesson is that the internet enables human resources agencies to continually innovate with new technologies themselves, finding ways of using technology to add real value to the services that they provide.

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LIST OF ABBREVIATIONS

CEO	Chief Executive Officer
CVs	Curriculum Vitas
EHR	Electronic Human Resources
ELX	Electronic Labor Exchange
Email	Electronic Mail
HR	Human Resources
HRIS	Human Resource Information Systems
HRM	Human Resources Management
IT	Information Technology
KM	Knowledge Management
MOHR	Ministry Of Human Resources (Malaysia)
NITA	National Information Technology Agenda
PCs	Personal Computers
US	United States
UUM	University Utara Malaysia
VHR	Virtual Human Resources
www	World Wide Web

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CHAPTER ONE

INTRODUCTION

1.1 Introduction

The advent of the Internet has been one of the most exciting major events in the 20th century. At present the Internet has spread to more than 180 countries and regions connecting more than 600 000 domestic networks of various types, hooking up more than 20 million computers available to 120 million users (2% of the entire global population). The reason why the Internet seems all-powerful is because it has two characteristics no other mechanisms possess: first, the Internet contains the biggest resource of information in the entire world; second, it enables people to obtain an interactive mechanism to instantly communicate with each other. The information on the Internet is so rich that no one can tell what is really out there.

The Internet has drawn a great deal of interest in the field of Human Resources. This study will project, given today's attitude toward Human Resources department just to what extent Internet technologies will impact HR departments and agencies. The Internet is creating new opportunities for immediate response, up-to-date support tools and new products. However, it is also providing new challenges for Human Resources agencies which are finding a new user community for their products and services, but resources originally intended for the agencies' more traditional audiences are being stressed to provide services to the new communities. It should be noted that the computer and the Internet are being used to automate most of the related tasks of an HR department of any organization. The automated systems in place strive to reduce the paperwork and streamline all the functions of the Personnel Department while interacting with other departments or divisions of the organization.

One important aspect of personnel services is the pre-recruitment and post recruitment processes. This is crucial since these systems help the employer in assessing the

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