

**Records as a Basis for Human Resource
Management:**

Creating an Integrated Paper and Electronic System

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Introduction

This paper draws upon the years of experience of the International Records Management Trust in carrying out work all over the world, but in particular in undertaking projects in Africa. I welcome the opportunity to share the conclusions we have been able to draw from this experience, because it is one of the great advantages of the Commonwealth that our common historical experience and similar administrative systems make it possible to apply lessons from one country to another.

Automated personnel systems are more than simply a combination of computer terminals, screens, printers and software. Today a typical automated system also requires a complex infrastructure consisting of specialised staff, agreements to provide servicing and spare parts, traditional paper records, etc. For the foreseeable future we will continue to have both paper and electronic records in the same office. Information technologists tend to downplay or even ignore the paper component in such systems in favour of the more glamorous high technology components. Yet paper and computer-based systems each have advantages to offer and each contribute to effective personnel management. This paper will demonstrate that there is no alternative to integrating the two systems if efficiency is to be achieved.

After setting personnel information in context of wider government policy initiatives, we will look at the distinctive features of personnel information which need to be taken into account when planning a system. Next I will describe difficulties commonly encountered whether the system is automated or manual, and then I will outline some broad pointers on the “do’s and don’ts” to consider when looking at automated solutions. Finally I shall describe the Trust’s research agenda in this area, the results of which we will be able to communicate to you at a later date.

Importance of Personnel Information

There are many definitions of civil service reform, but broadly they all encompass concepts such as legitimacy, accountability and competency. Good records management practice has a role to play in supporting all of these objectives. Personnel records are no exception. For example, individual citizens need accurate records to claim their pension entitlements. Access to reliable information is thus essential to protect citizens’ rights. Managers need reliable information on the allocation of grades to avoid ‘grade drift’, the tendency of the number of staff on higher grades to increase over time. In other words, competent government requires accurate data.

It is in the areas of competency and accountability that personnel records have much to contribute. A government’s human resources are of strategic importance both because people are the most valuable asset of any organisation, but also because the civil service wage bill is a major component of the national budget. Moreover, the associated pension obligations have significant ramifications far into the future. Countries implementing structural adjustment programmes, whether unaided or supported by the Bretton Woods institutions, have come to recognise that controlling or reducing the size of the civil service is an essential component of their overall strategy. It is hardly surprising in an era where public sector reform is on the agenda in virtually every country from Australia to Zimbabwe that improved human resource management is attracting the attention of policymakers. Human resource management can be of macro-economic significance.

The efficient management of the public sector has increasingly come to be recognised as a key component of economic development and the effective utilisation of human resources as a major determinant of efficient management. The ability to retrieve information about personnel is a key factor in successful human resource management. In a number of African countries it has been discovered that a significant proportion of the salary bill relates to non-existent 'ghost' workers; yet, at the same time, retired public servants have found it impossible to claim pension payments to which they were entitled because records could not be retrieved. The result, in some countries, is that civil servants maintain two jobs in order to prepare for retirement. Economists have long recognised that the personnel function in public sector organisations in developing countries has rarely been treated as a priority. Rather, personnel departments have tended to play a relatively passive role, administering mostly outdated rules rather than actively developing and pursuing policies for improving public sector management.

A World Bank report¹ produced in 1989 looking at the problems and prospects of Sub-Saharan Africa reinforced this point; it identified weak public administration as one of a number of factors inhibiting sustainable growth. The report called for better personnel management in terms of staff testing, competitive entrance examinations, regular appraisals, promotion on merit, selective improvement in the pay structure and accurate personnel records. It should surprise no one that accurate records are required if the human resources management function is to be a pro-active force for change. At the operational level, managers need information about staff members' performance on the job (both current and in the past) for the purpose of manpower planning and disciplinary matters. Policymakers and managers need accurate, up to date and reliable information, both aggregated as statistical data, and as detailed information about individuals. They need this information at their fingertips and it must be at a reasonable cost. To achieve these objectives there is no substitute for systematic, well organised records.

Special Features of Personnel Records

Personnel records have certain characteristics which distinguish them from many other types of records. Paper personnel files are one of the largest categories of records any government creates. If no effort is made to reduce their bulk they can occupy vast areas of storage space which might more profitably be used for office work. Clearly there is a financial benefit to be gained from introducing a records management programme to reduce their bulk and simultaneously ensure their completeness. Moreover, personnel records have linkages to other important record systems, such as payroll, pensions, national insurance schemes (the 'social safety net') and of course the files of other government departments. Thoughtless tampering with the personnel records system can have unforeseen ramifications for many other important systems. Because of this element of risk, the design and modification of personnel record systems requires senior management attention and oversight.

¹ World Bank (1989) *Sub-Saharan Africa: From Crisis to Sustainable Growth - A Long-term Perspective Study* World Bank, Washington DC

Personnel records contain material that is highly confidential. Special handling procedures and security are required for some categories of personnel information. Again, the sensitivity of the material means that oversight by senior managers is required to ensure that procedures are being followed.

Personnel records remain active for very long periods. A person's record needs to be kept until all pension claims have been resolved – which could be 85 years from the date of birth, to allow for the maximum retirement age, plus a period of 20 years to deal with any residual claims.

Unlike financial records, many of which can be destroyed in bulk after a set number of years on completion of audit, personnel files are handled on an individual basis; so procedures have to be in place to create lists of individuals whose files have become inactive due to retirement, resignation, notification of death, etc. Where such procedures are not in place, registries become clogged with inactive files, which makes active files harder to handle and pension or other benefits difficult to determine. For example, in one country it was found that a central personnel registry contained about 125,000 personnel files, although there were actually only about 40,000 serving civil servants. Eight-five thousand files related to people who had left the civil service or worked for parastatal bodies that had been hived off from the civil service.

Finally, because of their vast bulk, the routine nature of much of personnel information and the need for statistics for human resource planning, personnel records are a popular choice for computerisation, especially in combination with the payroll system.

Difficulties Commonly Encountered

Before I turn to automated personnel systems, it may be helpful to set the scene by describing some of the difficulties encountered with traditional paper based personnel records. These impinge on how we approach computerisation and help to explain why computerisation is such an appealing notion for managers.

Too often, personnel files are not well kept. Storage rooms are often overcrowded and security inadequate. Indexing procedures are not always in place and file tracking systems are often lacking. Many registries have no means of finding who has a file at any particular time, and files cannot be retrieved without a major search being launched. The result is large amounts of staff time being wasted.

Even when the relevant files can be located easily there may be other problems. There is a tendency for duplicate files to proliferate. In one African country it was found that each appointment or promotion in the civil service generated no fewer than 14 pieces of paper, which were held by different offices, although some were never used. It is not unusual for personnel files to be held for the same individual at the central personnel management office, the headquarters of the employing ministry, the provincial and the local levels. Moreover, confidential and open files are created. In one country this routinely generated nine files for each individual employee. In addition, files tend not to move when employees are transferred from one ministry to another. If an employee moves several, or even half a dozen, times during his career this generates a range of additional files.

The proliferation of files encourages the retention of copies of the same documents in different places, but the nature of the system makes it difficult to ensure that there is a master file which contains a complete set of records. The consequence is multiple files on the same person scattered through many filing systems, but no one place where all the information can be reliably found. Obviously this has a serious impact on personnel management in terms of the decision-making process. Not only are large amounts of expensive office space occupied needlessly by duplicate records but much time is wasted attempting to obtain information spread over many locations. Moreover, the situation can be particularly frustrating to individuals on retirement who need to establish proof of their service record to claim their pensions: in fact, delays can lead to actual hardship.

The situation I have just described has grown more unwieldy over the years because no one has responsibility for ensuring the entire information system is practical and matches current realities and requirements. What is needed is a systematic analysis of the system as a whole and restructuring to ensure the information system matches the information needs of the users. Clearly the key is to simplify the process, reduce the number of files opened and copies sent and tighten the mechanisms for movement control and retrieval. Although this will require a substantial effort, the end result will be much enhanced efficiency.

Another major problem is that it is often very difficult to compile an accurate list of everyone who works for a department by using the official records. Whole categories of government employees may not have individual personnel files. For example, unqualified teachers, non-established workers, or established staff who were promoted out of non-established posts may be categories for which personnel files are not created and kept. Moreover, with movement control it is difficult to know what files should be in the registry and what files are in use. This is a situation which makes it relatively easy for inaccuracies to creep on to the payroll records, either by mistake or design – the ‘ghost worker’ problem – because it is so hard to compile an authoritative master list of personnel. Over and above the often substantial direct cost to the government’s budget of salaries fraudulently claimed, there is a cost in terms of the inability to carry out manpower planning because the reliable statistics of how many staff exist on each particular grade are not available.

Solutions to these problems exist. Orderly, well equipped and well organised registries are needed so that papers are filed consistently and can be found easily. Much can be achieved by means of traditional low technology equipment combined with good organisation. An important first step is the introduction of a file tracking procedure that works reliably so that a file can be found quickly even if the registry has lent it to an officer. If there is not a comprehensive indexing system, one should be introduced. It is also important that the personnel files of people who have died, retired or left service be moved to intermediate storage. In the longer term, it is essential that the Payroll and Pension Departments should regularly pass on to the registries lists of staff whose records can be destroyed in accordance with the instructions of an officially approved retention schedule. Finally, there must be clear rules about what documents must be filed on the master personnel file and what documents should be held elsewhere. These rules should be strictly enforced. This enables duplicate files in ‘satellite’ record systems (for example, in regional branches) to be destroyed when operationally convenient, secure in the knowledge that a master set exists at headquarters. The Trust has drawn up a list of documents which should normally be placed on a personnel file to satisfy the needs of all interested parties. Of course the particulars of the list will vary according to the particular situation, but the list may include the following:

- application form
- offer of appointment letter
- medical reports
- copies of certificates of qualifications
- security-check reports
- acceptance of offer letter
- promotion letters
- postings/secondment/transfer letters
- probation reports
- staff reports/appraisal forms
- disciplinary correspondence
- salary increment(s) form
- appeals/petitions
- requests and responses re special leave
- change of name documents
- personal/service record card
- retirement notifications

Senior managers have much to contribute by creating the framework which will permit these measures to be implemented, for example by ensuring that record keeping procedures are regularly reviewed for efficiency and relevance, by raising the status and morale of registry staff, by making appropriate resources available and by integrating record keeping operations with the core functions of government. Governments run on information. Records, the main source of information for government, have to be regarded a vital resource.

Introduction of Computerised Personnel Systems

The main reason for computerising personnel records is to provide readily up-to-date information on employees and establishments for manpower planning purposes. Advantages include the ability to:

- monitor the mix of the organisation's staff statistically (eg age, gender, ethnicity), covering recruitment, promotion, performance, length of time in post; sickness absence; leavers; part-time : full-time ratio; vacancies; job requirements; training
- standardise information and detect missing data
- pinpoint trends, identify bias and institute remedial action
- control staff numbers and grade drift
- print out or obtain material without leaving the desk or calling for the file (eg for obtaining current address details or updating CVs).

Computers thus permit the collection and aggregation of statistical information which would be very time consuming, if not impossible, to assemble from manual systems. Nevertheless, the reliability of the computerised system is dependent upon the reliability of the paper-based system.

Paper records are a necessary component of the maintenance infrastructure of a computer system, much in the same way as technically competent staff and access to spare parts are necessary to the maintenance of computers. Paper records are essential at all stages of information processing: firstly, for ensuring that the source data are accurate and reliable;

secondly, for checking that the data have been input on the computer correctly; thirdly, to recover in the case of data corruption or failure; and, finally, to reconcile discrepancies between different computer systems. In each case they provide the evidence, and thus the accountability that policies and procedures have been followed correctly.

There is a variety of different methods of gathering source data for a personnel system when a single authoritative list of personnel is not available and there is a need to rationalise the payroll or introduce new personnel management programmes. These methods can be divided into 'soft data' and 'hard data' methods. By 'soft data' I mean data which are useful but not entirely authoritative. For example, one can interview staff, or ask them to fill in questionnaires about their employment history. The disadvantage is that memories can be unreliable, and it may be in the interest of the interviewee to give incomplete or inaccurate information.

'Hard data' come from records which are unbiased and unambiguous. One approach that has been used is to ask employees to bring in original letters of appointment, birth certificates, etc, to be used as source material for data entry. This provides an opportunity to assemble more complete personnel information but, sadly, this opportunity is often wasted, and can sometimes be actually injurious to the individuals concerned. It is not uncommon to see unsorted bundles of original documents stored in government offices after the data have been input. The bundles are in no particular order, so it is not possible to return the documents to their original owners and they have not been placed on personnel files. Unless they have kept photocopies, these people have lost their means of proof of their entitlement to pensions and other benefits. The ideal form of hard data is well organised personnel files.

Maximum benefits can be achieved when the paper system is the source of hard data for the automated personnel system in its initial stages. Computer systems require structured, well organised information. Attempts to automate disorganised, inconsistent data result in a chaotic database which will generate questionable if not misleading information. Thus it is essential to ensure that the paper records upon which the new personnel system will be based are in good order before the computerisation project begins. Too often this point is ignored, and too often the manager responsible for the existing paper personnel records, if there is one, is left out of the project team when computerisation is being planned. This is a mistake because the records manager can contribute much: firstly, by ensuring that the records are well organised to facilitate automation and, secondly, by working with the system designers to ensuring that the combined computer-plus-paper system is well integrated and works efficiently.

Once reliable data have been entered on to the personnel database one might imagine that the paper records will no longer be needed, but this is not the case. In fact, computerised systems will, at least for the present, result in more paper, not less. Essentially, this is because sophisticated computer applications and networks required for personnel databases are not entirely reliable. First of all, the data entry clerk may have made a mistake when keying-in the data, so the data input forms should be kept as evidence. Secondly, the data on those systems are highly vulnerable and subject to corruption and loss, so regular printing out onto paper of the information held on the computer is a useful record in the event that the data become corrupted. In both cases, a paper record is essential in ensuring that vital data are not lost. For this to work it must be possible to locate the paper record easily when needed. This is a question of organisation. The essential thing to remember is that the way the paper

records are arranged and handled must be reorganised to fit the requirements of the computerised personnel system.

A critical component of this process is the establishment of a reliable link between the information held on paper and the information held in the computer, such as the national identity number or the social security number. Ideally the code used should be linked to other government information systems, for example for fiscal purposes. This code should appear on the individual's paper file as well as in the database and, where possible, the paper personnel files should be arranged by the identifying code, to facilitate audits between the paper and electronic systems. This makes it very easy to match information on the computerised system against information held on the personnel files and to identify discrepancies.

In addition to providing a backup for the computerised system, paper personnel files contain important information which does not appear in the computerised personnel system and have unique uses. This is because most automated systems tend to contain only data which can most suitably be manipulated by a computer. For example, it is very unusual for such a database to contain the text of an individual's performance evaluation or attendance records, both essential for disciplinary and promotion matters. Also, there are important records which must be maintained in their original format for legal reasons. For example, in-coming correspondence where the signature is vital to prove authenticity or the original document containing the staff member's signature showing that he had signed an official secrets act. Thus there is a need for paper personnel files to complement the personnel database.

Research Agenda for the Future

Recent surveys of computer applications in public administration in Zimbabwe and Uganda have indicated that computer applications are now part of most donor technical assistance projects and that computer technology is widely seen as the answer to information problems. Yet the problems associated with the management and use of existing paper-based personnel information can impede progress with the introduction of automated systems. There is a need to evaluate in greater detail the consequences of this situation. There is also a need to consider the means of giving greater emphasis to information management alongside information technology.

In the next twelve months the International Records Management Trust will be undertaking an ODA-funded research initiative to improve our knowledge of what is required for successful, sustainable personnel record systems. The objective of the research will be to explore the strengths and weaknesses of different strategies adopted in several countries by governments and donor agencies to gain control of personnel information management systems. The research will seek to determine:

- the information required to give effect to the personnel management function and meet its objectives
- the acquisition, communication and usage needs for information and the internal/external linkages and key management points
- the internal and external environmental factors involved in managing personnel records, including legal, fiscal, cultural and historic factors
- the relationship between the paper-based information and computerised systems

- the degree to which the vast quantities of available paper-based records can be accessed as source data and the degree to which they need to be supplemented by information from other sources
- the criteria for evaluating appropriate personnel records management systems and procedures
- the issues relevant to payroll management and in particular the control of the problem of ghost workers'
- the significance of managing personnel records for public sector reform in terms of the efficient and effective management of human and financial resources and delivery of services to citizens
- the wider implications of information management for good government.

Local factors which may influence the successful implementation of computerised personnel information systems will be examined. The study will explore the following issues:

- Given that the paper-based records systems may have become disordered, the starting point for personnel management information systems may be the efficient management of paper-based records.
- Constraints on making the long-term investment required to introduce sustainable computer-based systems or upgrade hardware and software may affect the viability of proposed systems.
- Constraints in terms of the infrastructure required to support computer-based systems, eg, IT specialists, keyboard skills, power supplies, consumable supplies and communications, may also affect systems design.

The research should be of immediate practical value. Its outcome will inform donor agencies of the issues involved when designing or evaluating personnel information systems. In particular, it will help to clarify the issues involved in the computerisation of personnel records. It will also help to articulate the issues involved in managing data about civil servants as a basis for gaining control of the payroll in the context of public service reform. It will result in case studies of the issues illustrating the key factors in introducing computerised personnel information systems and linking them to existing paper based systems. Hopefully this information will make a contribution to effective human resource management.

KEY DOCUMENTS ON PERSONNEL FILES

- application form
- offer of appointment letter
- medical reports
- copies of certificates of qualifications
- security-check reports
- acceptance of offer letter
- promotion letters
- postings/secondment/transfer letters
- probation reports
- staff reports/appraisal forms
- disciplinary correspondence
- salary increment(s) form
- appeals/petitions
- requests and responses re special leave
- change of name documents
- personal/service record card
- retirement notifications

RESEARCH AIMS

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