

Social audit as an essential control lever for human resources management: Literature review

L'audit social levier incontournable de contrôle de gestion des ressources humaines

MHENNA Rachid

PHD in Economics and Management

Faculty of Law, Economics and Social Sciences of Mohammed VI,
Hassan II University, Casablanca

Research laboratory in entrepreneurship, management, finance and organizational strategies
Morocco

mhennarachid@gmail.com

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Abstract:

In a socio-economic context characterized by the liberalization of international trade, increasingly fierce competition, globalized and highly competitive markets, human resources management has become the key success factor for any organization. This is why it is increasingly necessary to have motivated employees with the skills to cope with this new context, but also to ensure the survival of the organization in an ever-changing global arena. In such a context, the company is invited not only to manage its human resources efficiently, but also to control them for the proper functioning of all HR processes in order to improve its performance. Therefore, there are three essential instruments or tools used together, namely The social balance sheet, the HR information system (HRIS) and the social audit. Our article will only focus on the social audit and will give a global theoretical vision on it as a major lever of human resources management control through its important roles and processes.

Keywords: “Human resources management”; “HR management control”; “Social audit”; “The social balance sheet”; “HR information system”.

Résumé:

Dans un contexte socio-économique caractérisé par la libéralisation du commerce international, une concurrence de plus en plus féroce, des marchés mondialisés et hautement compétitifs, la gestion des ressources humaines est devenue le facteur clé de succès de toute organisation. C'est pourquoi il est de plus en plus nécessaire d'avoir des employés motivés et dotés des compétences nécessaires pour faire face à ce nouveau contexte, mais aussi pour assurer la survie de l'organisation dans une arène mondiale en constante évolution. Dans un tel contexte, l'entreprise est invitée non seulement à gérer efficacement ses ressources humaines, mais aussi à les contrôler pour le bon fonctionnement de tous les processus RH afin d'améliorer ses performances. Il existe donc trois instruments ou outils essentiels utilisés conjointement, à savoir le bilan social, le système d'information RH (SIRH) et l'audit social. Notre article se concentrera uniquement sur l'audit social et donnera une vision théorique globale de celui-ci en tant que levier majeur du contrôle de la gestion des ressources humaines à travers ses rôles et processus importants.

Mots clés : « Gestion des ressources humaines » ; « contrôle de gestion RH » ; « audit social » ; « bilan social » ; « système d'information RH ».

Introduction

Human resources management control is one of the essential missions of HR professionals today, so that they can guarantee the proper functioning of the company in real time, which is why they increasingly need a well-structured tool for this mission, there are obviously three very important instruments for this control, the social balance sheet, the human resources information system (HRIS) and the social audit.

Our subject has a double interest, the first aims to enrich the scientific bibliography by this review of rich literature, which makes it possible to open other avenues of research in the field of social audit, when in the second objective, this research allows practitioners to adopt our social audit approach to control their human resources in order to have more profitability.

This article will focus primarily on social auditing, after first providing an overview of the first two human resources audit instruments. Thus, we will answer the following question:

what are the theoretical foundations of social auditing?

To answer this question, our article will be divided into two parts, the first will be devoted to shedding light on the main human resources control tools, namely: the social balance sheet and the human resources information system (HRIS), after having presented an overview of human resources management and in the second part we will dissect our subject, namely the social audit, its history, its definition and its theoretical foundations.

1. Human resources management function:

We cannot understand the concepts of HRIS, The social balance sheet and the social audit, without having previously defined the term human resources. This is why we are going to expose in the following lines a brief paronama on the management of human resources as the cornerstone of any company.

Human resources management is the function that aims to implement the balance between the expectations and the necessarily different characteristics of individuals and the organization, with a view to performance. That is to say the management of people at work with a view to making them adhere to the objectives of the company and achieve performance at the best cost. (Pennaforte, A et al., 2018).

Thus, resource management represents a set of activities, or processes put in place to encourage employees to give their best, namely: Recruitment, training, career management, compensation, communication, management of certification, skills development...

2. The social balance sheet and the HRIS: Overview and definition:

2. 1: The social balance sheet:

2.1.1: Definition:

The social balance sheet is a document that is interested in summarizing the social policy of a company. It is defined as “a single document which summarizes the main figures used to assess the situation of the company in the social field, to record the achievements made and to measure the changes that have occurred during the past year and the two previous years. Consequently, the Social Report includes information on employment, remuneration and incidental charges, hygiene conditions and other working conditions, training, professional relations and the living conditions of employees dependent on the company. . The social report is drawn up with the aim of “providing a quantified basis for the dialogue between the partners of the company, making it possible to measure the effort made in social matters and to better situate the objectives”. (BACHOUNDA, R., & LAZREG, M. (2016).

2.1.2: The content of the social balance sheet:

The social report is organized in the form of a set of seven distinct chapters, namely: employment, remuneration, health and safety conditions, other working conditions, training, professional relations, other conditions relating to the company, these chapters are subdivided and made up of several headings, and each heading is broken down into several indicators. for information, the number and nature of these indicators or even sometimes the number of headings in each of the chapters may vary according to the business sector of the company, but also according to the workforce considered. Noted that the data reported in the social report must concern the last three years, but also the two years preceding it. (Allègre, C. B., & Andréassian, A. E, 2008).

2.1.3: The objectives of the social balance sheet:

The social report is characterized by a diversity and richness of the data it offers, but also it is able to identify anomalies and malfunctions in the company, as well as improvements from one year to another. In addition, it aims to respond to responses related to the achievement of objectives set by the management of the company. It is also an essential lever and a crucial tool for management, information, planning and consultation. Thus, the social balance sheet constitutes an important framework for analyzing overall performance, particularly with regard to the social aspect. (BACHOUNDA, R., & LAZREG, M. (2016).

3. The human resources information system or the HRIS:

Technological changes, globalization and digitalization have undoubtedly disrupted the HR function, but also these transformations have had the effect of shifting the core business of HR. Before, the administration of the personnel constituted the heart of their activities. Currently faced with the daily requirements posed by this environment, the core business has shifted towards activities to support employees, we find in the first place recruitment, development of skills and careers, the HRIS for example.

The information system of an organization is unique and indivisible. It must be seen as the support for processing data relating to the processes in interaction within the global system that constitutes the organization. The expression HRIS is therefore an abuse of language. We cannot speak of a human resources information system in the strict sense of the term. We should talk about the HR point of view in the IS. For convenience, we will call HRIS this point of view of human resources in the information system. (Gillet, M., & Gillet, P., 2010).

3.1: Definition:

A human resources information system refers to a set of computer programs or applications that automate the various processes that make up human resources management. The latter therefore covers the entire field of HR. The objective of the HRIS is to help support human resources professionals on a daily basis, in particular when it has made it possible to automate a certain number of administrative tasks, namely: payroll, administrative management, recruitment, training, time management... (Castillo, O., & Laëtitia, M. L, 2012).

3.2: The importance of using human resources information systems (HRIS)

To survive in this new context of globalization, technology including digitalization, organizations have begun to use information systems in various functions and departments in recent years. The human resources function is one of the functions of the human resources company that is interested in using the information system. Thus, these information systems support several HR activities, such as identifying potential employees, maintaining records and creating programs for the purpose of developing skills and talents existed within the company. (Bal, Y., Bozkurt, S., & Ertemsir, E, 2012).

4- Social audit:

4.1: Social audit: genesis and appearance:

According to Pierre Candau, "auditing is an expert action intended to examine the relevance or profitability of a company's activity" and social auditing concerns "all of the company's functions and concerns with a social dimension". The audit appeared during the twentieth century in the accounting and financial fields, and during the second half of the twentieth century it was extended to all the activities of the company in order to detect possible malfunctions and improve their profitability. On the social level, one can audit a workshop, a department, a function, a process, a company, as in other areas of auditing. Social auditing developed during the second half of the twentieth century in order to verify social management according to different criteria. As human resources management developed, the network of these multiple constraints of a financial, legal, contractual nature, etc., became stronger, and the company's human capital became a strategic and unavoidable issue. Social auditing has thus been enriched by new tasks which are as many specialities and put the auditor in contact with multiple interlocutors. (Allègre, C. B., & Andréassian, A. E, 2008).

4.2: social audit and digital transformation:

Today, the emergence of digital constitutes a real strategic and organizational challenge for all companies operating in all sectors of activity. Thus, in a few years, the digital world has imposed itself on all levels, encompassing several fields of activity and rapidly investing all aspects of economic and social life. Indeed, social auditing is impacted by this matrix Social auditors are obliged and required to follow the digital trend in their environment in order to respond to this need, and at the same time, to create new opportunities for them. Indeed, the arrival of digital technology will impact the methods of social auditing, as well as its missions and processes. (Achraf, N. M., & Mohamed, E. A. (2020).

4.3: Social audit: definition:

The social audit can be defined as an observation, analysis and evaluation process, which makes it possible to identify the strengths and risks of Human Resources Management (Guerrero, 2004). This approach leads to a diagnosis of the causes of the problems identified and to recommendations for action. It is a real management tool for Human Resources managers, since it provides the means to understand the social difficulties that arise in a company, to identify the causes of the problems and to formulate recommendations for action. It is a real management tool for Human Resources managers, as it provides the means to understand the social difficulties that arise in a company, and to take the necessary corrective measures to resolve them. The "observation, analysis and evaluation approach," to use our

definition terms of our definition, can be applied in three directions that are complementary. (Guerrero, S., 2008).

There is a relevant definition is Igalens, J., & Peretti, J. M. (2016): “Social auditing is a process applied to the management, activities and relationships of individuals and groups in organizations, as well as their relationships with their internal and external stakeholders; it is a methodical, independent and documented process for obtaining audit evidence and evaluating it objectively to determine the extent to which audit criteria are met.”.

4.4: The roles of social auditing:

The social audit is linked to the notion of standard, of indicator. It aims at comparing two situations, the first one concerns the reality and the second one challenges well defined norms set up by the organization, to carry out an analysis of the existing in relation to the rules standards that have been set. The fundamental interest of the audit lies in the concern for the company's image of the company, which aims to satisfy the ideals of the moment: to be an employer of the day: to be a benchmark employer protecting its employees, to ensure the promotion of women to management positions respecting the rules of diversity... It provides a diagnosis of the organization through the organization by measuring a situation at a given moment. It reflects the desire to see things clearly, to know beforehand where we are. (VOYNNET-FOURBOUL, C., 2005).

4.5: The objectives of the social audit

Like other audits, the social audit's main objective is to improve the efficiency of the company efficiency of the company through that of HRM. But, depending on the mission, different objectives can be assigned to it: (EL MOUSADIK, M., & EL KANDOUSSI, F., 2017)

- To draw up a report on a given social situation.
- To establish a diagnosis of the causes and consequences of the problems detected;
- Evaluate the efficiency and risks in the field of HR, to be an aid to decision making on specific points, or for larger operations such as mergers or acquisitions acquisitions.
- Assess the risks arising from a given situation and thus be an instrument for forecasting.

4.6: The missions of the social audit:

According to Claude Blanche Allègre (2008), classically we distinguish by increasing order of complexity three main functions of the social audit:

It consists of verifying whether the actions undertaken have been followed up and to what extent they have achieved their objective; determining the extent of the gap between objective and achievement and the causes; proposing corrective actions.

4.6.2: *Compliance audit*

It allows to verify the conformity of the texts and processes of the company in relation to a certain number of standards and procedures that come from the internal or external legislation in force.

4.6.3: *Strategic audit*

This is a more complex audit, which examines the quality of human resources management. According to Martine Combemale and Jacques Igalens, "it has several facets: judging the coherence of HR policies and processes (including the Human Resources Department), ensuring that HRM is serving the company, i.e. that it is helping the operational departments to achieve their objectives. Among the missions of the strategic audit, we find the audit of the coherence of human resources policies, the audit of the skills and performance of the human resources department, the audit of the relationship between social performance and financial performance, the audit of the choices in terms of outsourcing of certain HR functions, audit prior to a merger or acquisition, audit of corporate social responsibility (CSR), audit of forward-looking employment and skills management (GPEC) in the context of job protection plans to avoid the loss of skills and human capital.

4.7: Social audit methods:

The audit is an inductive approach, the auditor starts from the facts, appreciates their authenticity, analyses them and interprets them. This assessment leads to a report and recommendations. It is a step-by-step approach that uses tools borrowed from a large number of disciplines. (Claude Blanche Allègre., 2008),

4.7.1: *The steps of the process:*

To measure and evaluate these indicators, the auditor applies an approach based on a four-step framework. (Duc, B., 2013).

- First step: Pre-diagnosis :

The pre-diagnosis aims to determine the strengths and assets of the company and the various internal problems it encounters through a whole list of documents and data to be consulted. This step allows a first overview of the social risks involved.

- Step Two: Information Gathering:

The purpose of information gathering is to investigate in detail one or more given problems. To do this, the auditor has several tools at his disposal, which we will develop in the next chapter.

- Step Three: Information Analysis:

The third step consists of "comparing the results obtained with external references and studying possible trends". The auditor tries to establish cause and effect in order to determine the necessary corrective actions to be taken.

- Step Four: Final Report and Recommendations:

The last step is when the auditor gives his recommendations in a final report, proposing actions for improvement or modification. The auditor's mission ends.

IV.7.2: social audit tools:

The social auditor, as an operational auditor, has the traditional audit tools at his disposal, but his specialization in social management also leads him to be familiar with the tools of human resources management (HRM), since it seems impossible to audit a function or operations if one does not master the management techniques that make it up. Among the audit tools used before the mission, the most common are the knowledge questionnaires (QPC), the internal control questionnaires (QCI), and the sampling plans. (Igalens, J., & Peretti, J. M., 2016).

- Awareness questionnaires (QPC):

Getting acquainted is one of the most important steps in an audit assignment. Its duration varies according to the complexity of the subject, the auditor's profile, and the existence of previous audits. The purpose of this phase is to obtain a good overview of internal controls

from the outset, to identify the key issues, to avoid abstract or secondary considerations and, above all, to enable the organization of audit operations. **Internal Control Questionnaires (ICQ):**

The ICQ has five core questions that bring together all of the control point questions:

Who? Questions related to the operator who must be identified with precision to determine his powers. To answer these questions, we use hierarchical and functional organization charts, job analyses...

What? Questions relating to the object of the operation, what is the nature of the task, what is the nature of the product manufactured, of the control.

Where? Concerns the places where the operation takes place.

When? Questions related to time: beginning, end, duration, periodicity...

How? Questions relating to the description of the operating mode, how the task is carried out.

- Sampling plans:

The auditor will use statistical sampling techniques when he or she does not have the time or resources to conduct an exhaustive analysis of the information available. The first step is to select a sampling method based on the problem being studied and the information available. Once the sample has been selected, the results obtained from it are analyzed and evaluated. Sometimes he uses small samples and abandons the objective of "representativeness" in favor of diversity.

Conclusion :

In conclusion, the social audit is part of the logic of improvement of the performance of organizations, it is considered as a tool and a lieveir unavoidable is privileged to put in place. It allows to present or rather to draw up the state of affairs in a given situation. It remains the best ally to reduce the risks that companies are facing. Thus, more specifically, the social audit consists of an analysis of a company's human resources policy. It can be carried out as a preventive measure (to evaluate a situation at a given moment and prevent certain risks) or as a curative measure (to remedy a particular problem or a conflict situation). The social audit is a practice that is becoming more and more frequent and more and more requested by companies.

Indeed, unlike the machine, the human being must be able to work in conditions that allow him or her to make the best use of his or her abilities. For this, the social audit will ensure the adequacy of the position/profile, i.e. putting the right people in the right place, but also the procedures of internal and external communications to the company to avoid all errors of understanding while valuing the capacity of initiative.

The social audit appears as a real tool for decision making and evolution in the company. Beyond a single report on all social issues, the diagnosis must bring out proposals and recommendations that will allow the company to improve its organization and management in order to optimize the quality of life at work, the well-being and performance of employees and therefore the competitiveness of the company.

The social audit is, ultimately, a decision support tool in the process of sale of business and contributes to the performance of the company.

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