

Developing an Adoption Model of Human Resource Accounting For Indian Companies: A Behavioural Study

Nader Naghshbandi

Young Researchers and Elite Club,
Quchan Branch, Islamic Azad University,
Quchan, Iran
nader_naghshbandi@yahoo.com

Hojjat Shukuhian

Research Scholar, department of commerce, Aligarh Muslim University, India
hojjat.shukuhian@yahoo.com

Elham Babazadeh

Master of Auditing-Islamic Azad University-Tehran East branch, Iran
Babazadeh_elham@yahoo.com

Vineet Chouhan, PhD

Assistant Professor,
School of Management,
Sir Padampat Singhania University, Udaipur, Rajasthan, India
vin_chouhan0209@rediffmail.com

Abstract

Human Resources are the most important assets of an organization, but due to absence of legal regulation in relation to Accounting of HR, their financial values were not disclosed in most of the company's annual report. The main objective of this study is to analysis Indian companies and their HR practices. The perception of accounts managers and accountants working in Indian companies were taken to identify challenges faced to predict the organization's performance. The data were collected from 100 accountants and managers from 15 Indian companies on the basis of benefits, measurement model and perception. The multiple regression method was used with SPSS-19 software to identify that whether on the basis of the perception and adoption it can be converted into the financial disclosure. Since disclosures on human assets act as an evidence for wealth creation, it is proposes that companies should take the maximum benefits by adopting HRA.

Keywords: Human Resource Accounting (HRA), Intangible Assets, Human Assets, Employees, Performance Measurement.

1. Introduction

Human Resource Accounting helps to calculate the human resource capital, worth of management development, and enhances the value of management accounting. It is nothing but the process of identifying and measuring data related to human resource and communicating this information to interested parties (American Accounting Association's Committee on Human Resource Accounting; 1973). It is not only involved in the measurement of data related to placement, training and development of employees but also involved in the evaluation of financial condition of people in an organization. It is the measurement and reporting of the economic value of people in organizational resource. (Flamholtz, 1971). Overall, the HRA can be defined as the process of identifying and measuring data related to human resource for the development and enhancement of economic value of interested parties associated with corresponding organization. Human Resource is one of the biggest assets of an organization. Unfortunately, there's no legal regulation in any of the organization annual report (Cherian & Farouq, 2013). Sometimes, the HR value might increase beyond the tangible assets value of organization but conventional accounting method does not facilitate recording and recognizing the HR values.

The primary function of Human Resource Accounting (HRA) is to manage organizational expenditures which provide future benefits for the development of organization. Here the expenditure related to human resource are recorded as assets on the balance sheet contrary to the older system of accounting where these costs are considered expenses that reduce net profit of an organization. In addition, HRA process of measurement has a role to play in any decision making process related of the organization.

Though the history of HRA can be traced back to USA, its contribution for the growth of HRA has come from various other countries. Considering human as assets has become morally repulsive following the abolition of slavery. As a result, it is expected that it would take more time to apply this concept in accounting agenda. With the liberation of the eighteenth century debates, humans have been excluded from financial statements. But since company's production lacks human contribution, as evidenced in the financial statements, has probably made the recognition and rewarding of employees' contributions more challenging. The present debate after the Second World War is focused on the question whether humans can be considered as assets; this contention is based on 18th and 19th century ideals. Since the labour cost is seen as an expense rather than acknowledged as an asset it could be considered to be in line with the consumer model followed by the modern capitalist economies. Accordingly, the emerging fields including HRA has demonstrated the migration of knowledge across the artificial edifices those have been erected by scientific disciplines (Daft & Lewin, 2008). Moreover, HRA assists the proponents to seek an accurate way to determine the

competency of employees as well (Roslender & Dyson, 1992). In order to implement effective HRA practices, it is essential to focus on profound knowledge on human resource cost, values, outcome and how to calculate these, high management demands, high target settings. Finally, it is essential to execute HRA from strategic-management prospect.

In the past decade, there are several studies on human resource accounting (HRA) that focused on wide and diverse range of research concerns. For an instance, researchers have linked a HRA measures with firm or organizational performance (Afiouni, 2007; van der Zahn et al., 2007; Johansson, 2007; Martin-de-Castro et al., 2006; Youndt & Snell, 2004; Roos et al., 2004; Perez & Ordonez, 2003). Few others have focused on the valuation or measurement of HRA (Carrell, 2007; Catusus & Grojer, 2006; Burr & Girardi, 2002; Bontis et al., 1999; Boudreau & Ramstad, 1997) while some addressed the issues of regulations, standards or reporting of HRA (Cuganesan, 2007; Bozzolan et al., 2006; Catusus & Grojer, 2006; Roslender et al., 2006). Although several articles have been debated the importance of accounting HR in the organizational performance but still research are not conclusive that HR assets are important in creating value of organizations. This paper identifies and discusses the different perceptions of the accountants and managers for successful implementation of HRA and provides the model for adoption of HRA for the purpose of disclosure of HRV in annual reports as financial disclosure.

1. Objectives:

The objectives of this paper are as under:

1. To identify the current practices of HRA in Indian companies.
2. To develop an implementation model for HRA in Indian companies by taking the views of the Accountants/Managers working in Indian companies.

3. Review of Literature

HRA was introduced in the accounting literature in the 1960s for measuring HRV as a part of the Intangible Assets (Flamholtz, 1985) but the term “Human Resource Accounting” was used for the first time 1968 by Brummet, Flamholtz and Pyle. The American Accounting Association’s Committee (1973) on HRA defined it as “the process of identifying and measuring data about HR’s and communicating this information to interested parties. Under HRA the information about HR costs and values is provided to serves and facilitate decision making, and motivation to decision makers for adopting a HR perspective (Sackmann et al., 1989,). It is the method used to identify that HR

variables affect the efficiency of firms by analyzing the association between different aspects of human resources and firm performance (Boudreau & Ramstad, 1997; Bassi & McMurrer, 1998; Grojer, 1998). The reasons for including HRA includes people are a valuable resource to a firm so long as they perform services that can be quantified and the value of a person as a resource depends on its employability. So management style will also influence the human resource value (Ripoll and Labatut, 1994). Human Resource Accounting information can be useful for managerial decision making in different areas. Many research studies were conducted to prove this. Tomassini (1977) carried out a laboratory study to examine the effects of HRA cost data in personnel layoff decision context. He concluded that HRA cost estimates caused different managerial preferences in the personnel lay off decision context. Gul (1984) attempted to study the usefulness of human resources turnover cost information for labour turnover decision-making in a sample of Australian Accounting Firms. Bayes (1984) conducted an empirical investigation of the effects of HRA information on decision-making. There are so many studies that support the hypothesized usefulness of HRA in the process of decision making by internal and external users. There has also been an increasing recognition of the concept of HRA, evidenced by the flow of literature on various aspects of HRA. But there are very few organizations involved in the systematic measurement and reporting of HRA information. Though the users of the information are interested and they welcome HRA reporting but they fail to throw light on this vacuum created by the resistance of the organizations to adopt a system of human resource accounting. It is very important to know the perceptions of the management about the specific uses to which HRA information can be put. Because it is the management to decide regarding adoption of system of HRA and in what form it should be made available to the internal and external users. The proposed work is a step forward in that direction. Research into true human research accounting began in 1960s by Rensis Likert (Bowers, 1973). Likert defends long-term planning by strong pressure on human resources' qualitative variables, resulting in greater benefits in the long run. Support for the idea of accounting for human resource values can be found much earlier. In 1965, Cronbach & Glaser (1965) developed models for estimating the financial utility of personal selection. To embrace both HRA and UA (Utility Analysis), Grojer & Johanson (1996) use the concept Human Resource Costing and Accounting (HRCA). Grojer & Johanson (1996) express the management orientation of HRA even more clearly in the assertion that HRA concerns the management of human resources. Roslender (1997) proposes a societal approach to the subject. He uses the term human worth accounting. Assets from an accounting perspective are normally well, but too narrowly, defined when compared with emerging knowledge-based theories (Grant, 1996; Haanes & Lowendahl, 1997). Because of poor measurement and inadequate reporting, human resources run in the risk of being undervalued internally by managers and externally by capital markets (Johanson, 1999). There are many studies suggest a business community with a much more reluctant standpoint (Johanson et al, 1998). One recent survey on the attitudes of members of the European Accounting

Association toward HRCA showed that it is becoming more important for accounting research and business practice, at least in East Europe and the Scandinavian countries. An interest in HRCA in Finland started several years ago from a return on investment perspective. Johanson (1999) propose that decision making and learning by investors and managers are influenced when managers hold positive attitudes towards HRCA. The American SEC has declared that there is no evidence of an information interest from a capital market point of view, not even for non-financial HRCA information.

Narayan (2010) revealed that it is necessary that some method of quantifying the worth of the knowledge, motivation, skill, and contribution of the human elements as well as that of organizational processes, like recruitment, selection, training, etc. which are used to build and support these human aspects, is properly developed. This is an era of globalization and cost cuts; therefore, HRA would give an organization a correct vision towards the way forward. Human assets are the real asset of a company. The other physical assets will not be effective Without Human Resource. HRA is the processes of identifying and measuring the data about Human Resources. HRA also gives information about the organization's efforts towards development of its employees and measures the Performance of Human Resource Development Function (Kesavan, 2013). The usefulness of manpower as an organizational resource is determined by the way in which it is managed. Information on investment and value of human resource is useful for decision making. Value based models in HRA emphasize on the measurement aspect of human resource. The true net worth of an organization can be determined only when the valuation of human resources is properly ascertained and reflected in the financial statements of an organization. (Sharma, 2014). the Human resources accounting system consists of two aspects; the investment made in human resources and the value human resource research (Singh, 2014). This study revealed that proper care and competence remains the foremost ethical skill that Human Resource accountants are expected to possess (Singh, 2014) The success of the any organization depends on the quality of its human resources, whether it belong to manufacturing, service or a retail outlet. Physical assets are used to increasing earning capacity of any business organization. Efficient employees make the efficiency, earning capacity, productivity and growth increased of company. Infosys limited is managing its employee in appropriate way. (Sharma and Sharma, 2013). HR is one of the most important back office operations of any Organization or business. Their skills, creativity, ability human cannot be replaced by machines. They revealed efficiency lost in work if there is a lack of qualitative people. Overall, even valuing human resources appear to be important to Indian organizations, most organizations do not value their human resources and plans to implement valuation of human resources are at a very early stage. (Pandurangarao et.al, 2013). To determine the return on investment, human resource management and the worth of human resource. She concluded in her study that the usefulness of the human

resource accounting can be concluded in providing the estimates and measuring the cost occurred on acquiring, promoting, training, development. (Sharma, 2012). Choudhary, Vipra (2012) conducted a study to get familiar with the concept of Human Resource Accounting, Why companies should evaluate their human recourse. She revealed that HRA is a management tool which is designed to assist senior management in understanding the long term cost and benefit implications of their HR decisions so that better Business decisions can be taken. Kashive (2012) revealed that the Indian firms are way behind other firms in European and American continents in terms of the extent and quality of intellectual capital(IC) measurement, reporting and disclosures.

As per Joshi and Mahei (2012) HR's are energies, skills, talents and knowledge of people that are or can be potentially applied to the production of goods and services. The Current study of the HRA system of the four organizations reveals that most of these organizations applied the Lev & Schwartz model for valuation of their human resources, while Ganesan (2011) revealed that adequate disclosure of human capital information is an important matter since it affects not only a firm's ability to recruit and retain the best people, but also conveys a firm's potential to create value. In future, there is a possibility of valuing and reporting of intangible assets because of strong growth of International Financial Reporting Standards.

4. Research Methodology

4.1 Data Collection Tool:

The primary data were used for the study which was collected from a structured questionnaire. Each participant was asked to fill out questionnaire indicating his or her agreement or disagreement with each statement on a 5-point Likert scale with the end points being "strongly disagree" and "strongly agree". Scale items appearing on the survey were based on the reviews of literature. The measurement items used in this study are shown in *Appendix*.

4.2 Reliability Measures:

Internal validity and consistency of the scale items are analysed for each variables by pilot survey of 100 respondents. The recommended value of Cronbach alpha values from 0.6 to 0.7 was deemed the lower limit of acceptability (Hair et al., 2006). Cronbach's alpha reliability scores were all over 0.65, which is considered good (Nunnally, 1978). Hence, the results demonstrate that the questionnaire was a reliable measurement instrument.

4.3 Sampling :

a sample of 100 accountant and managers responsible for making financial policies and working in various companies located in India was selected. A non-probability sampling technique called convenience sampling is used. Personal contacts and expert forums are used for data collection. Respondents are contacted using telephonic and internet survey methods.

4.4 Hypothesis:

In accordance with the research objectives of the paper, the data was collected on dimensions of HRA adoption, Benefits, financial disclosure, measurement models and perception. Subsequently following hypothesis was developed:

H1: Benefits, Measurement models and Perception has a significant effect on adoption towards HRA.

H2: Adoption of HRA significantly reflected as financial disclosure.

5. Data Analysis

As per the objective of assessing the development of HRA in India and Abroad, the views of the top managers and accountants are important and considered. For this purpose their views were taken on four grounds i.e., benefits, financial disclosure, measurement tool and perception. The details of variables were shown with their SPSS code in annexure -1.

Descriptive statistics collected from the survey showed that the responses were collected through the managers of 15 companies including 30 managers from service sector, 20 from IT, 35 from Manufacturing and 15 from energy sector. Over half of the respondents (75 percent) were male, the respondents' age varied from 25 to 42 years (Mean = 36.4 years, SD = 0.702), qualification includes post-graduation (31), professionals (27) and software engineer (42) and the experience varies between 5 to 20 years (Mean=12.65, SD 0.082) reflecting the population from which sample was drawn. No significant correlation was found between participants' age, gender and designation qualification and the dependent variables namely, adoption. These demographic variables were dropped from further analysis.

Linear regression analysis is conducted to test the hypothesis 1 based on completed surveys data. In a regression analysis the adoption is defined as a dependent variable and benefits, Measurement model, Perception and financial disclosure is defined as dependent variable. Table 1 presents the regression results used to test H1.

Table-1: Multiple regression analysis for H₁

a. Descriptive statistics

Variable	N	Minimum	Maximum	Mean	Std. Deviation
AD	100	1.00	5.00	4.8600	.25702
B_1	100	1.00	5.00	4.8200	.38612
B_2	100	1.00	5.00	4.9300	.25643
B_3	100	1.00	5.00	4.8900	.31447
B_4	100	1.00	5.00	4.7400	.44084
B_5	100	1.00	5.00	4.5900	.49431
MM_1	100	1.00	5.00	3.8100	.39428
MM_2	100	1.00	5.00	3.8300	.37753
P_1	100	1.00	5.00	3.9900	.10000
P_2	100	1.00	5.00	4.7100	.45605
P_3	100	1.00	5.00	4.8800	.32660
P_4	100	1.00	5.00	4.8800	.32660
P_5	100	1.00	5.00	4.7400	.44084
Valid N	100				

b. Regression Model results

Variables	Standardized Beta Coefficients	Std. Error of the Estimate	t-Statistics	p-value
Constant	1.139	.334	3.408	.001
P_2	.532	.057	5.259	.000
P_3	.393	.050	6.182	.000
P_1	.265	.148	4.599	.000
MM_2	-.245	.052	-3.189	.002
B_5	-.310	.054	-3.008	.003
Sum square (Total)		6.540	Regression ANOVA	4.777
R ²		.730	Adjusted R ²	.707
F-Statistics		30.822	p-value (F)	0.000
a. Dependent Variable: Adoption b. Predictors: (Constant), P_2, P_3, P_1, MM_2, B_5. P_2: The Profit & loss and balance sheet account of an organization cannot show a true and fair view unless human resource accounting particularly cost aspect in duly incorporated P_3: The disclosure of HRA has an important purpose in your organization P_1: Value of human resource accounting is necessary MM_2: Familiar with the Human resource valuation models B_5: Settlement of labour management disputes becomes easier by human resource valuation.				

As clear from the above table-1 that benefits, measurement model and perception had a significant influence on adoption of HRA ($\beta = 1.139$; $p < 0.05$), five variables i.e., P_2, P_3, P_1, MM_2 and B_5 explains the successful adoption of HRA in India and abroad, which further confirm the validity of hypothesis 1.

To test the Hypothesis 2, independent variables i.e. financial disclosures is regressed on adoption of HRA. Result from the table 2, it is evident that constructs of Financial disclosures (FD_1, FD_3, FD_4) have significantly influence as a result of Adoption of HRA. The mean values of descriptive statistics shows a favorable impact over financial disclosure. Furthermore the regression model is able to extract three predictors that explain about 58.4 percent of variance in dependent variable i.e. adoption towards use of HRA. The ANOVA analysis provides the statistical test for overall model fit in terms of F Ratio. The total sum of squares (15.390) is the squared error that would accrue if the mean of HRA adoption has also been changed to predict the dependent variable. The result confirms that Managers and Accountants believe that the HR is to be included in financial statement, employees cost and number of employees is to be considered while preparing the annual

report or financial statement and IFRS (International Financial Reporting Standards) should have standards required for human resource accounting.

Table-2: Multiple regression analysis for H₂

a. Descriptive statistics

a. Descriptive statistics					
Variable	N	Minimum	Maximum	Mean	Std. Deviation
AD	100	1.00	5.00	4.8600	.25702
FD_1	100	1.00	5.00	4.8900	.31447
FD_2	100	1.00	5.00	3.6000	.49237
FD_3	100	1.00	5.00	4.9200	.27266
FD_4	100	1.00	5.00	3.4500	.50000

b. Regression result for H₂

Variables	Standardized Beta Coefficients	Std. Error of the Estimate	t-Statistics	p-value
Constant (Adoption)	-1.139	.334		
FD_1,	.301	.056	4.369	.000
FD_3,	.276	.071	3.672	.000
FD_4	.197	.044	2.297	.024
Sum square (Total)		15.390	Regression ANOVA	9.177
R ²		.596	Adjusted R ²	.584
F-Statistics		47.260	p-value (F)	0.000

a. Dependent Variable: Adoption

b. Predictors: (Constant), FD_1, FD_3, FD_4.

FD_1: The HR is to be included in financial statement.

FD_3: They consider employees cost and number of employees in annual report or financial statement

FD_4: IFRS (International Financial Reporting Standards) should have standards required for human resource accounting.

As per the above analysis the HRA Adoption model can be developed by taking the variables on the basis of the above selected variables as per figure-1 as under:

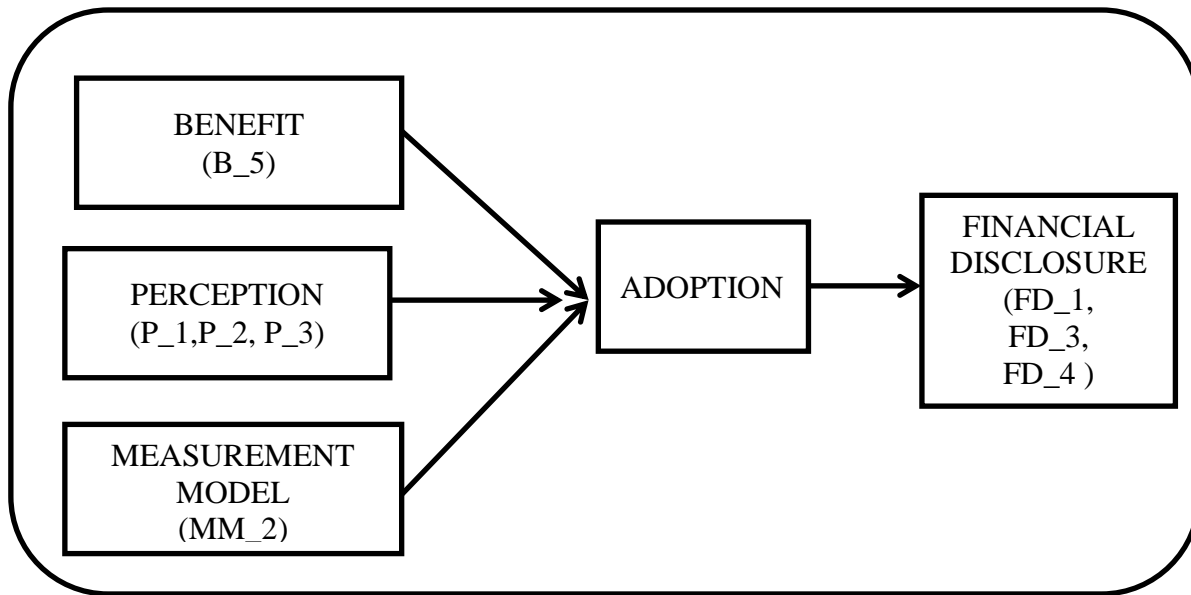


Figure-1: financial disclosure model for Adoption of HRA

The Figure-1 have shown that three major reasons are important for the adoption of HRA in India and in abroad i.e., its benefits, positive perception towards adoption of the method and measuring technique or model. The variable B_5 have explained the benefits of using HRA, P_1, P_2 and P_3 have explained the positive perception of adopting HRA and MM_2 have explained the measuring ability. Thus these three factors are behind the adoption of the HRA and in case of adoption the financial disclosure will takes place which has shown by variables FD_1, FD_3 and FD_4.

6. Conclusion

The present research begins with a clarification regarding the adoption of HRA which will have a large impact on financial and corporate reporting process and people working in any organisation. Indian companies can also be benefited with this innovation in the disclosure and the result of its impact over operational activities of the business. The study examined the perception of finance managers and accountants on adoption towards HRA for financial reporting. The empirical result shows that Benefits, perception and Measurement models are important determinant for adoption of HRA. The current research also assumes a significant influence of adoption on Financial disclosure. The research findings also outline some broad reasons for lack of popularity of HRA Concept in Indian context. The result confirms that Managers and Accountants confirms that the HR Details should be included in financial statement, with other details like employees cost and number of

employees is to be considered while preparing the annual report or financial statement and IFRS (International Financial Reporting Standards) should have standards required for human resource accounting.

Moreover, adoption of HRA is also a major financial step to be taken before implementing a model for HRA Disclosure in the financial accounts. A regular training for the HR value calculation will help employees for accepting this change openly. The implementation roadmap must be charted out with detailed planning for the HRA adoption. It is critical to ascertain the most suitable method for your organization to implement it.

7. Limitations:

The present research also based on certain assumptions which limits the scope of study. The study restricted by generalisability of findings because of small sample size and assumption that they adequately represent typical Indian managers and accountants views. The present work is a perception study for accountants or managers regarding acceptance of HRA for financial disclosure. Hence, it limits in presenting an overall view of other stakeholders including companies and regulators in the adoption process.

Description of the variables used for successful adoption of HRA

S. No.	Variables	SPSS code
ADOPTION		
1	Have you adopted HRA in your organization	AD
2	The distribution of employees in different categories (function / gender / age) and professional profile (graduated/post graduated) done in your organization	
BENEFIT		
3	Human resource accountings provide measurement for budgeting human resource acquisition and development	B_1
4	The investment in human resource valuation can be suitable in management decision making	B_2
5	Human resource accounting helps in resource allocation among various human resource development programmes	B_3
6	Adopting of HRA has changed attitude of management towards employees	B_4
7	Settlement of labour management disputes becomes easier by human resource valuation	B_5
MEASUREMENT MODEL		
8	You familiar with the Human resource valuation models	MM_1
9	You use any method or model for human resource valuation	MM_2
PERCEPTION		
10	you believe that value of human resource accounting is necessary	P_1
11	The Profit & loss and balance sheet account of an organization cannot show a true and fair view unless human resource accounting particularly cost aspect in duly incorporated	P_2
12	The disclosure of HRA has an important purpose in your organization	P_3
13	The level of knowledge and ability of employees is important for your Organization	P_4
14	Recruitment policy would have a positive impact by human resource valuation	P_5
FINANCIAL DISCLOSURE		
15	The HR is to be included in financial statement.	FD_1
16	The human resources are a primary component of intangible Assets	FD_2
17	They consider employees cost and number of employees in annual report or financial statement	FD_3
18	IFRS (International Financial Reporting Standards) should have standards required for human resource accounting	FD_4

References

1. Afiouni, F. (2007). Human resource management and knowledge management: a road map toward improving organizational performance. *Journal of American Academy of Business*, 11(2), 124–31.
2. American Accounting Association's Committee on Human Resource Accounting (1973). Report.
3. American Accounting Association's Committee on Human Resource Accounting (1973). The Accounting Review Supplement to Volume XLVIII.
4. Bassi, L., Benson, G., van Buren, M. and Bugarin, R. (1997). Human Performance Practises Report. American Society for Training and Development.
5. Bayes, Paul Eugene.(1984). An Empirical Investigation of the Effects of Human Resource Accounting Information on Decision -Making: Results of Mail Survey, Thesis, University of Kentucky, U.S.A.
6. Bontis, N., Dragonetti, N. C., Jacobsen, K., & Roos, G. (1999). The knowledge toolbox: a review of the tools available to measure and manage intangible resources. *European Management Journal*, 17(4), 391–402. [http://dx.doi.org/10.1016/S0263-2373\(99\)00019-5](http://dx.doi.org/10.1016/S0263-2373(99)00019-5).
7. Boudreau, J. W., & Ramstad, P. M. (1997). Measuring intellectual capital: learning from financial history. *Human Resource Management*, 36(3), 343–56. [http://dx.doi.org/10.1002/\(SICI\)1099-050X\(199723\)36:3<343::AID-HRM6>3.0.CO;2-W](http://dx.doi.org/10.1002/(SICI)1099-050X(199723)36:3<343::AID-HRM6>3.0.CO;2-W).
8. Boudreau, J.W. and Ramstad, P. (1997). Measuring intellectual capital: learning from financial history. *Human Resource Management*.36 (3), 343-356
9. Bowers, David G. (1973). A review of Rensis Likert's "Improving the Accuracy of P/L Reports and Estimating the Change in Dollar Value of the Human Organization. *Michigan Business Review*, 25.
10. Bozzolan, S., O'Regan, P., & Ricceri, F. (2006). Intellectual capital disclosure (ICD); a comparison of Italy and the UK. *Journal of HRCA: Human Resource Costing and Accounting*, 10(2), 92–113. <http://dx.doi.org/10.1108/14013380610703111>
11. Brummet, L., Flamholtz, E.G. and Pyle W. C. (1968). Human Resource Measurement: a challenge for accountants. *The Accounting Review*. 43, 217-224.
12. Burr, R., & Girardi, A. (2002). Intellectual capital: more than the interaction of competence and commitment. *Australian Journal of Management*, 27, 77–87. <http://dx.doi.org/10.1177/031289620202701S09>.
13. Carrell, J. (2007). Intellectual capital: an inquiry into its acceptance. *Business Renaissance Quarterly*, 2(1), 67–95.
14. Catasus, B., & Grojer, J. (2006). Indicators: on visualizing, classifying and dramatizing. *Journal of Intellectual Capital*, 7(2), 187–203. <http://dx.doi.org/10.1108/14691930610661854>.

15. Catasus, B., & Grojer, J. (2006). Indicators: on visualizing, classifying and dramatizing. *Journal of Intellectual Capital*, 7(2), 187–203. <http://dx.doi.org/10.1108/14691930610661854>
16. Cherian, Jacob, Farouq, Sherine.(2013). A Review of Human Resource Accounting and Organizational Performance *International Journal of Economics and Finance*, 5(8), 74-83.
17. Choudhary, V. and Vora,P.(2012). Human Resource Accounting practices leads firm performance, *International Journal of Business and General Management*, 3(2), 67-76.
18. Cronbach, L. J. and Glaser G. C. (1965). *Psychological tests and personnel decisions*, 2nd ed. University of Illinois Press, Urbana.
19. Cuganesan, S. (2007). Reporting organizational performance in managing human resources; intellectual capital or stakeholder perspectives? *Journal of HRCA: Human Resource Costing and Accounting*, 10(3), 164–88. <http://dx.doi.org/10.1108/14013380610718629>
20. Daft, R. L. & Lewin, A. Y. (2008). Rigor and relevance in organization studies: Idea migration and academic journal evolution. *Organization Science*, 19(1), 177–183. <http://dx.doi.org/10.1287/orsc.1070.0346>
21. Flamholtz, E. (1985). *Human Resource Accounting*. Jossey-Bass Publishers, Los Angeles.
22. Flamholtz, Eric G. (1971). Current Issues, recent advancements, and future directions in human resource accounting, *Journal of human resource costing and accounting*, 4(1), 11-20.
23. Ganesan, K. P. and Ganesh, V. (2011). Human Resource Accounting – An Out look, *AMET Journal of Management*, July – Dec, 38-44.
24. Grant, R. M. (1996). Toward a knowledge-based theory of the firm. *Strategic Management Journal*, 17, 109-122
25. Gröjer, J.E. (1998). *Management Control Intensity - Its measurement and interpretation*, School of Business, Stockholm University
26. Grojer, J.-E. and Johanson, U. (1996). *Human resource costing and accounting*, second ed., Joint Industrial Safety Council, Stockholm.
27. Gul, Ferdinand A. (1984). An Empirical Study of the Use fulness of Human Resources Turnover Cost in Australian Accounting Firm. *Accounting, Organization and Society*, 9, 233-239
28. Haanes, K. and Lowendahl, B. (1997). *The Unit of Activity: Towards an Alternative to the Theories of the Firm. Strategy, Structure and Style*. Eds. Thomas, H. et al., John Wiley & Sons Ltd:USA.
29. Johanson, U. (1999). Why the concept of human resource costing and accounting does not work. *Personnel Review*, 28(1/2) 91-107
30. Johansson, J. (2007). Sell-side analysts creation of value—key roles and relational capital. *Journal of HRCA: Human resource Costing and Accounting*, 11(1), 30–52. <http://dx.doi.org/10.1108/1401338071074639>.

31. Joshi, Upasna & Mahei, R. (2012). Human Resource Accounting System in Selected Indian Companies, *Journal of Social and Development Sciences*, 3(2), 69-76.
32. Kashive, N. (2012) Importance of Human Resource Accounting Practices and Implications of Measuring Value of Human Capital: Case study of Successful PSUs in India, *XIMB Journal of Case Research*, VI(2). 113-144.
33. Kesavan, P. and FathimaNancy D. (2013). Disclosure of human resource accounting (HRA) in selected Indian companies- An Empirical Analysis, *Indian Streams Research Journal*, 3(5), June, 1-4.
34. Likert, R. (1967). *The Human Organization. Its Management and Value* : McGraw-Hill:India.
35. Martin-de-Castro, G., Navas-Lopez, J. E., Lopez-Saez, P., & Alama-Salazar, E. (2006). Organizational capital as competitive advantage of the firm. *Journal of Intellectual Capital*, 7(3), 324–37. <http://dx.doi.org/10.1108/14691930610681438>
36. Narayan, R. (2010). Human resource accounting: A new paradigm in the era of globalization, *Asian Journal of Management Research*, 237-244.
37. Pandurangarao, Dasari, Basha, S. C. and Devarapalli. Rajasekhar,.(2013). A Study on Human Resource Accounting Methods And Practices In India *International Journal of Social Science & Interdisciplinary Research IJSSIR*, 2 (4), 95-102.
38. Perez, J. R., & Ordonez de Pablos, P. (2003). Knowledge management and organizational competitiveness: A framework for human capital analysis. *Journal of Knowledge Management*, 7(3), 82–91. <http://dx.doi.org/10.1108/13673270310485640>.
39. Ripoll, V. and Labatut, G. (1994). La contabilidad de los costes de recursos humanos: implicaciones contables y fiscales de su," *Técnica Contable*.
40. Roos, G., Fernsrtom, L., & Pike, S. (2004). Human resource management and business performance measurement. *Measuring Business Excellence*, 8(1), 28–37. <http://dx.doi.org/10.1108/13683040410524711>
41. Roslender, R. (1997). Accounting for the worth of employees: is the discipline finally ready to respond to the challenge, *Journal of Human Resource Costing and Accounting*, 2(1), 9-26
42. Roslender, R., & Dyson, J. R. (1992). Accounting for the worth of employees: A new look at an old problem. *The British Accounting Review*, 24, 311–329. [http://dx.doi.org/10.1016/S0890-8389\(05\)80040-X](http://dx.doi.org/10.1016/S0890-8389(05)80040-X)
43. Roslender, R., Stevenson, J., & Kahn, H. (2006). Employee wellness as intellectual capital: An accounting perspective. *Journal of HRCA: Human Resource Costing and Accounting*, 10(1), 48–64. <http://dx.doi.org/10.1108/14013380610672675>
44. Sackman, S. A., Flamholtz, E. G. and Bullen M. L. (1989). Human Resource Accounting; A Stateof-the-Art Review, *Accounting Literature*. 8, 235-264.

45. Sharma, A. (2012). Impact of Human Resources Accounting On Organizational Performance, IOSR Journal of Business and Management (IOSR-JBM), 5(1), Sep-Oct, 25-31.
46. Sharma, C. S. and Lama, S. (2014). A Critical Evaluation of Measuring the Immeasurable: Human Resource Accounting (HRA) The International Journal of Business & Management.3(3), 637-653
47. Sharma, R. B. and Sharma, A. (2013). Practicing of Human Resources Accounting in Infosys Limited, European Journal of Commerce and Management Research (EJCMR), 2(3), 57-63
48. Singh, Sultan. (2014). Business Ethics and Human Resource Accounting International Journal of Management and Social Sciences Research, 3(5), 23-44
49. Tomassini L. A. (1977). Assessing the Impact of Human Resource Accounting: An Experimental Study of Management Decision Preferences. The Accounting Review, 904-914.
50. Van der Zahn, J. L. W. M., Inderpal, S., & Heniro, J. (2007). Is there an association between intellectual capital disclosure, underpricing and long-run performance? Journal of HRCA: Human Resource Costing & Accounting, 11(3), 178–213.
<http://dx.doi.org/10.1108/14013380710843773>.
51. Youndt, M. A., & Snell, S. (2004). Human resource configurations, intellectual capital, and organizational performance. Journal of Management Issues, 16(3), 337–60.