

Human Resource Information System

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INTRODUCTION

There has been a tremendous change in the field of human resource management is playing a very dominant role in organizations with newly evolved strategies and systems that keeps evolving with the introduction of technology. Human resource functions are mostly connected with the employees, stake holders and the people who are connected with the firm. It is mainly designed in such a manner that the individual goals align with the organizational goals and which in turn reflects the performance of the work force and productivity of the concern.

The HRM functions in an organisation deals with people related issues like recruitment, selection, compensation, general administration, employee welfare and involvement, communication, organisational development, performance management, training and development, employee motivation, rewards and recognitions.

With the Fast pace digital transformation employees and HR cannot stay behind and the entire work force within the organization has to have a change mind set to transform into the digital .This paper throws light on the human resource information system and its uses in certain functional areas of the organization HRIS is a customized software solution that helps the management to automate certain functional areas such as pay scheme, accounting ,performance appraisal of employees recruitment process.

OBJECTIVES OF THE STUDY

1. To study the usage of HRIS and its effectiveness on recruitment
2. To evaluate the impact of HRIS on training and development
3. To understand the usage of HRIS in gathering information relating to performance appraisal

Key words: Customized Software Solution, Digital Transformation, Functional Areas, Administrative Strategies, and Independent Pay Roll System.

REVIEW OF LITERATURE

(Career Builder 2015) A survey was conducted by Career Builder CEO's of the company considered the opinion of the senior managers of the company because of their rich experience in the company than the HR department. The survey made a suggestion that the senior management had a lot of experience and knowledge in handling complex situations in the organization but the HR department is

specialized in certain aspects and the department will be essential for the smooth functioning of the organization.

(Nishad Nawaz 2014) The survey done by the experts shows that there has been a drastic evolution in technology in the functional areas of HR such as recruiting, training and performance management and there has been a greater impact of technology on all major functional areas. Prior to the introduction of technology, HR recruiters had to rely on print publications, such as newspapers to post for job vacancies and get adequate prospects for open positions available within the organization. In spite of other modes of communication HR recruiters were unable to fill up jobs in various locations and have millions of people glance at that information that was given by the organization. HRIS has made this challenge at ease through greater implementation of technology on major functional areas making the job easier for the HR department within each organization.

Nicholas Aston Beadles II& Christopher M.Lowery (2005)¹ ,”The impact of Human Resource Information Systems: An Exploratory Study in the Public Sector “In this article the author asserts the importance of HRIS and proved that following HRIS the organization can decrease the cost, and time on mundane activities and improve the communication among peers and managers and also highlights the strategic role of HRIS in the HR department.

Syeda Qussia Batool and Dr.M.A.Sajid(2012)² ,”Benefits and Barriers of Human Resource Information System in Accounts Office and Azad Jammu and Kashmir Community Development Program” T he author has stated the need of HRIS in business applications for which a three model design was formulated namely basic HRIS design model, HRIS hexagonal and HRIS phase's model. The author emphasized on the returns expected out of applying HRIS and the need for the execution of the system at all levels and domains in the organization .The author also stressed on the need to develop this system which would be profitable to the business by taking quick decisions and the need to develop such a system to forecast and control the HR process both inside and outside the organization.

Humayun Zafar (2013)³ “Human resource information systems: Information security concerns for organizations” In this paper the author has given importance to on information security and HRIS. This study explored area of HRIS and e HR security issues. This system would be applicable when certain information has to be assessed confidentially, these results in employee centric culture, increases employee satisfaction and morale, employees are more inclined to be loyal and stay motivated within the organization. These systems allow the employees to apply for jobs, changing job-related benefits, and web-based training.

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NEED FOR THE STUDY

HRIS makes the activities and processes in organisations to occur electronically. It is a way for small and big businesses organizations to take care of a number of activities related to human resources, accounting, management and payroll using the technology. HRIS enables a company to plan its HR costs more effectively, to manage them and control them without needing to allocate too many resources towards them. HRIS also increases the efficiency in times of making decisions in HR. Such system helps in arriving at quality decisions with increased productivity. It also enables organizations to track its applicants, making the interviewing, communication and selection process more flexible and economical. HRIS enables organization to formulate workforce administrative strategies that could be streamlined to the needs of the organization making it cost advantageous to the concern and its various functional areas.

STATEMENT OF THE PROBLEM

With the rapid increase in the usage of information technology in HR, the functioning of HR department has been evolving from being a mere administrative and support functions to active strategic decision makers in organisations. In the 90's studies were undertaken on the advantages of the introducing HRIS in the organization and its influence on the overall human resource strategies and business planning. Several research studies showed the increased advantage of using HRIS. This study wanted to study the advantages of using HRIS and its support system and its major impact on organizations only with specific reference to three major functional areas in organizations namely training and development, performance appraisal and recruitments.

LIMITATION OF THE STUDY

1. This study was taken up to evaluate the benefits of using HRIS on vital areas of the organizations in the current scenario
2. It focuses on the major shifts in the market and the demands of the organisations today
3. The study has concentrated upon a few major constraints and expectations of the industry taking into consideration the role of HRIS on the functional areas of organization.

FUNCTIONAL AREAS OF HRIS

HRIS should provide an effective control system that could manage the cost improve the efficiency and help, in taking prompt HR decisions. The following are some of the functions of a human resource information system.

1. Integrated Database:

With the use of software and data bases that stores collects and displays information about employees, policies and procedures, HR managers can easily access the files without much dependency on manpower.

2. Performance Related:

HRIS software can manage the payroll process from start to finish with its various functions such as automation of the payment process, automatic calculation of taxes and enables organizations to have independent payroll system..

3. Employee self-service:

Employee self-service is an effective way to maintain records of employees. The HR department can have an easy access to employee records their profile; leave availed, benefits and pay scale.

4. Organization and Forethought

HRIS helps HR managers effectively plan and introduce time schedules and attendance of employees. An HRIS with talent management system will help the company to retain quality employees within the organization.

5. Recruitment and Training:

HRIS software can be integrated with the employment portals, internal websites and recruitment services to reduce the tedious process in recruiting, selection and training of employees. A training module helps the companies to offer a mixed training experience to improve employee engagement, job satisfaction and retention. The organization can evaluate the impact of the training programme to understand its effectiveness on the employees.

METHODOLOGY

This study was done to test the validity of HRIS and its impact on three major functional areas. Information for the main study was collected by means of a questionnaire using a five point rating scale. The questionnaire was circulated to employees in selected IT industries. The sample size was 75. Hypothesis was framed for the same after which the data was tabulated using SPSS.

HYPOTHESIS

- H₀: There is no significant association between level of designation of the respondents and existence of online recruitment and selection policy
- H₀: There is no significant association between level of designation of the respondents and existence of online portal for performance review.
- H₀: There is no significant relationship between educational qualification of the respondents and usage of HRIS in creating performance standards

HRIS ANALYSIS AND INTERPRETATION

Testing of hypothesis

1. FRIEDMAN'S RANK TEST

The Friedman test is the non-parametric test used to test for differences between groups when the dependent variable being measured is ordinal.

FRIEDMAN'S RANK TEST		
Usage of HRIS on Recruitment process	Mean Rank	Ranks
Short-listing Candidates	3.52	1
Advertising Vacancies	3.09	2
Conducting Interviews	2.93	3
Filling Vacancies	2.82	4
Decision Making	2.64	5

Source: Computed Data

Interpretation: The above table signifies the effectiveness of HRIS in the different processes involved in recruitment. From the table, it is perceived that, 1st rank is given to the statement stating that the usage of HRIS on Recruitment process helps in short-listing the candidates. It indicates that, in the process of recruitment HRIS is more effective in short-listing the candidates. The score and the significance of the statements decrease with the ranks. The least rank is given to decision making implying that HRIS is not significantly used for decision making.

CORRELATION

Correlation is a statistical measure that indicates the extent to which two or more variables fluctuate together. A positive correlation indicates the extent to which those variables increase or decrease together and the negative correlation indicates the extent to which one variable increases as the other decreases.

Designation * Existence of Online Recruitment and Selection Policy: Cross-Tabulation

DESIGNATION	Existence of Online Recruitment and Selection Policy				
	Absent	Low Extent	Present	High Extent	Total
Top Level	5	3	2	1	11
Middle Level	4	3	10	3	20
Lower Level	1	4	8	5	18
Total	10	10	20	9	49

Source: Primary Data

H₀: There is no significant association between level of designation of the respondents and existence of online recruitment and selection policy.

H₁: There is a significant association between level of designation of the respondents and existence of online recruitment and selection policy.

CORRELATION: Existence of Online Recruitment and Selection Policy

CORRELATIONS		Designation	Existence of online recruitment and selection policy
Designation	Pearson Correlation	1	0.374
	Sig. (2-tailed)		.008
	N	49	49
Existence of online recruitment and selection policy	Pearson Correlation	0.374	1
	Sig. (2-tailed)	.008	
	N	49	49

Source: Computed Data

Interpretation: In the table, as the p value is 0.008 which is less than 0.05, the null hypothesis is rejected. The Pearson Correlation coefficient of designation and the existence of online recruitment and selection policy is 0.374 denoting positive correlation between the two. It signifies that there is a significant association between the level of designation of the

respondents and the existence of the online recruitment and selection policy. Technology has a positive impact on recruitment. Hence the organizations can adopt the advancements in technology so that the process of recruitment and selection becomes more economical and faster.

Designation * Existence of Online Portal for Performance Review: Cross-Tabulation

DESIGNATION	Existence of online portal for performance review				
	Absent	Low Extent	Present	High Extent	Total
Top Level	1	3	7	0	11
Middle Level	2	5	8	5	20
Lower Level	2	0	8	8	18
Total	5	8	23	13	49

Source: Primary Data

H₀: There is no significant association between level of designation of the respondents and existence of online portal for performance review.

H₁: There is a significant association between level of designation of the respondents and existence of online portal for performance review.

CORRELATION: Existence of Online Portal for Performance Review

CORRELATIONS		Designation	Existence of online portal for performance review
Designation	Pearson Correlation	1	.289
	Sig. (2-tailed)		.044
	N	49	49
Existence of online portal for performance review	Pearson Correlation	.289	1
	Sig. (2-tailed)	.044	
	N	49	49

Source: Computed Data

Interpretation: In the table, as the p value is 0.044 which is less than 0.05, the null hypothesis is rejected. The Pearson Correlation coefficient of designation and the existence of online portal for performance review is 0.289 denoting positive correlation between the two. It signifies that there is a significant association between the level of designation of the respondents and the existence of the online portal for performance review. Performance management is a part of e-hrm.IT enabled performance management systems helps the organization to leverage the full benefits at lesser cost of administration. Organizations can make use of performance management software's that would provide an innovative approach in evaluating the performance of employees.

ANALYSIS OF VARIANCE (ANOVA)

ANOVA is used to determine whether there are any statistically significant relationship between a dependent variable and independent variable.

Educational Qualification * Creating Performance Standards: Cross-Tabulation

Educational Qualification	Creating Performance Standards				
	Absent	Low Extent	Present	High Extent	Total
UG	4	3	12	6	25
PG	3	4	7	3	17
Profession	0	0	2	5	7
Total	7	7	21	14	49

Source: Primary Data

H₀: There is no significant relationship between educational qualification of the respondents and usage of HRIS in creating performance standards.

H₁: There is a significant relationship between educational qualification of the respondents and usage of HRIS in creating performance standards

ANOVA: Usage of HRIS in Creating Performance Standards

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	6.454	2	3.227	3.573	.036
Within Groups	41.546	46	.903		
Total	48.000	48			

Source: Computed Data

Interpretation: In the table, as the p value is 0.036 which is less than 0.05, the null hypothesis is rejected. It signifies that there is a significant relationship between the educational qualification of the respondents and usage of HRIS in creating performance standards for performance appraisal of the employees. The modern web technologies help the organization to survive in the competitive markets. Most of the companies are dependent on third party consultants for their HR activities. The E –HR culture would create an innovative organizational culture that would enhance the knowledge of employees working within the organization at the same time add value to the business.

CONCLUSION

Organizations should give more importance to applying digital tools. In today’s world of global challenges companies are trying to recruit people from all over the world. Companies should try to improve upon these digital tools to enhance their connectivity and employ quality workforce within. At the same time existing employees should be given adequate digital learning tools that are linked to the business. Such a system would take the entire organization to higher standards globally. Companies could also start up a strategic provision for rewarding employees adapting to this kind of information system for increasing their work knowledge.

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