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A STUDY ON SCOPE OF HUMAN RESOURCE INFORMATION SYSTEM IN PRESENT SCENARIO

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Abstract:- This paper describes about that importance of Human Resource Information Systems in current scenario.Human Resource Information System (HRIS) is an opportunity for organizations to make the HR department administratively and strategically participative in operating the organization. It is basically an intersection of human resources and information technology through a HR software solution. This allows HR activities and processes to occur electronically.A HRIS generally should provide the capability to more effectively plan, control and manage HR costs; achieve improved efficiency and quality in HR decision making; and improve employee and managerial productivity and effectiveness. In most situations, an HRIS will also lead to increases in efficiency when it comes to making decisions in HR. This research paper helps to know about how HRIS help the organization to enhance the efficiency of work.

Keywords: Human Resource, Human Resource Information system, strategy ,efficiency.

1.INTRODUCTION

In the ever-changing world in which we live, new technology is continually being developed. This change requires organizational leaders to be cognizant of the different types of technology which could improve the organizational effectiveness. Human Resource Information Systems (HRIS) have drastically evolved since they were first introduced more than 50 years ago—they have gone far beyond their original purposes of converting paper records into computerized databases. In modern times, HR/payroll systems are able to handle several of HR's numerous functions. HR Software is now full of features and self-contained—not just the data storage systems we once knew them as. The developed HRIS will help the organization to effectively store employee data more securely and accurately. Modern HRIS systems are now tools that HR Professionals can use on a daily-basis for several purposes. In the past, companies were used to tracking data on paper and spreadsheets. However, with technological advancements many companies have realized the need to implement more sophisticated computerized systems, like Human Resource Information Systems. By moving to HRIS, companies are able to keep more accurate and up-to-date records, allowing them to better prepare for future growth in their companies. In most situations, an HRIS will also lead to increases in efficiency when it comes to making decisions in HR. The decisions made should also increase in quality—and as a result, the productivity of both employees and manages should increase and become more effective. HRIS is an effective tool that can be used for streamlining the administrative functions of the HR department. This can be achieved by creating an elaborate and relevant database. The data that an effective HRIS would have on individual employees can include training completed, awards received, projects participated in and finished successfully, level of education attained,number of years of service, skills, competencies, etc. By using this data the HR department can make a contribution towards strategy formation within an organization. With an efficient HRIS in place, the development of HR systems becomes easier.

2.HUMAN RESOURCE MANAGEMENT (HRM)

The history of HRM is said to have started in England in early 1800s during the craftsmen and apprenticeship era, and then further developed with the arrival of the Industrial Revolution in the late 1800s. In the 19th century, Frederick W. Taylor suggested that a combination of scientific management and industrial psychology of workers should be introduced. In this case, it was proposed that workers should be managed not only for the job and its efficiencies but also for the psychology and

maximum well-being of the workers. Moreover, with the drastic changes in technology, the growth of organizations, the rise of unions and government's concern and interventions resulted in the development of personnel departments in the 1920s. At this point, personnel administrators were called 'welfare secretaries'. HRM is said to have started from the term 'Personnel Management' (PM). The term 'PM' emerges after the Second World War in 1945 as an approach by personnel practitioners to separate and distinguish themselves from other managerial functions and make the personnel function into a professional managerial positions. Traditionally, the function of PM is claimed to 'hire and fire' employees in organizations other than salary payments and training. But there were many criticisms and concerns of ambiguity expressed about the purpose and role of PM to HRM . Therefore, the term HRM gradually tended to replace the term PM. However, writers argue that the term HRM has no appreciable difference from PM as they are both concerned with the functions of obtaining, organizing, and motivating human resources required by organizations. At the same time, writers are defining the terms HRM and PM in many different ways . The rebranding of the term from PM to HRM was done due to the evolvement and changes in the world of management and therefore, a contemporary term would seem appropriate that can encompass new ideas, concepts and philosophies of human resource. Indeed, some writers comment that there are 'little differences' between PM and HRM and it has been criticized as pouring 'old wine into new bottle' with a different label. Whether HRM is considered to be different than personnel management is a continued debate on both its meaning and practices.Strategic Human Resource Management has grown considerably in the last years. Schuler, Dolan and Jackson described the evolution of SHRM from personnel management in terms of a two-phased transformation: first from personnel management to traditional human resource management, and then from THRM to SHRM. To improve performance and create a competitive advantage, a firm's HR must focus on a new set of priorities. These new priorities are more strategic oriented and less geared towards traditional HR functions such as staffing, training, appraisal, and compensation. Strategic priorities include team-based job designs, flexible workforces, quality improvement practices, employee empowerment, and incentive-based compensation. SHRM is designed to diagnose strategic needs and plan talent development, which are required to implement a competitive strategy and achieve operational goals .

3.HUMAN RESOURCE INFORMATION SYSTEM (HRIS)

HRIS has a very humble historical origin. Although there were some exceptions, prior to World War II HR professionals (then referred to as "personnel" staff) performed basic employee record keeping as a service function with limited interaction on core business mission. Initial efforts to manage information about personnel were frequently limited to employee names and addresses, and perhaps some employment history often scribbled on 3x5 note cards. Between 1945 and 1960, organizations became more aware of human capital issues and began to develop formal processes for selection and development of employees. At the same time, organizations began to recognize the importance of employees' morale on the firm's overall effectiveness. While this period of change in the profession did not result in significant changes in HRIS (although employee files did become somewhat more complex), some believe that it set the stage for an explosion of changes that began in the 1960s and 1970s . During the next twenty years (1960 to 1980) HR was integrated into the core business mission and, at the same time period, governmental and regulatory reporting requirements for employees also increased significantly. The advent and widespread use of mainframe computers in corporate America corresponded with this regulatory increase and provided a technological solution to the increased analytical and record-keeping requirements imposed by growing regulation of employment and a host of new reporting requirements. The Human Resource Department became one of the most important users of the costly computing systems of the day, often edging other functional areas for computer access. Although HRIS systems were computerized and grew extensively in size and scope during this period, they remained (for the most part) simple record-keeping systems . According to few management professionals, HRIS is considered as a systematic procedure for collecting, storing, maintaining, and recovering data required by an organization about their human resources, personnel activities and organizational characteristics .

4.EVALUATION AND DEVELOPMENT OF HRIS

In the early development of human resource management, information systems, although often accurate and comprehensive, were mainly used for administrative and operational purposes. Forms were used to collect leave requests, workers compensation and accident data, and salary variation and superannuation entitlements. During the 1945 and 1960 only manual work is done for manage all HR activities in organization, they have human capital issues, employees morale and formal selection and development method is earlier organization not so much focus on HR related activities they was not taking interest in HR main function . Then early 1960 to 1970 personnel become change into human resource organization was focus on human resource. Human Resource was seen as key in organization. In this time HRIS was used mostly for keeping administrative records.1970s and 1980s, several factors radically changed attitudes towards human resource information systems. After that from 1980 to current large and small business organization are utilizing HRIS. The increasing complexity of payroll systems in this period demanded more flexibility in, and access to information system. Personal computers have made HRIS available and affordable for any sized firm. HRIS has evolved from simple record-keeping to complex analytical tools to assist management decision making. Then according to globalization and technological change computerize HRIS was developed in it system seeks to merge the activities associated with human resource management and information technology into one common database through the use of enterprise resource planning software. The goal of HRIS is to merge the different

parts of human resources, including payroll, labor productivity, and benefit management into a less capital- intensive system than the mainframes used to manage activities in the past. HRIS also called Human Resource Management System .Organizations, centralized payroll processing sections began to be separated from other human resource functions. Some organizations contracted their payroll responsibilities toexternal payroll bureaus with greater technological expertise, and for reduced costs. Now a days many software are used in the organization according to their needs and want.

5.BENEFITS OF HUMAN RESOURCE INFORMATION SYSTEM

The rationale for the implementation of HRIS varies between organizations. Some use it to reduce costs, others to facilitate better communication, and some use it to re-orient HR operations to increase the department's strategic contribution . HRIS provides management with strategic data not only in recruitment and retention strategies, but also in merging HRIS data into large-scale corporate strategy. The data collected from HRIS provides management with decision-making tool. An HRIS can have a wide range of usage from simple spread sheets to complex calculations performed easily . Through proper HR management, firms are able to perform calculations that have effects on the business as a whole. Such calculations include health-care costs per employee, pay benefits as a percentage of operating expense, cost per hire, return on training, turnover rates and costs, time required to fill certain jobs, return on human capital invested, and human value added. It must be noted that none of these calculations results in cost reduction in the HR function. The aforementioned areas, however, may realize significant savings using more complete and current data that can be made available to the appropriate decision makers. Consequently, HRIS is seen to facilitate the provision of quality information to management for informed decision-making. Most notably, it supports the provision of executive reports and summaries for senior management and is crucial for learning organizations that see their human resources as providing a major competitive advantage. HRIS is therefore, a medium that helps HR professionals perform their job roles more effectively. HRIS can be implemented at three different levels, i.e. the publishing of information, the automation of transaction, and finally transforming the entire working of the HR department so it plays a more strategic role and adds more value to the organization . It is, however, very difficult to ascertain the value addition made by HRIS on the revenues and profits of an organization since strategic HRIS is beneficial in facilitating the decision-making process. These decisions can result in greater employee motivation and satisfaction and both are extremely difficult to quantify. Mayfield came to a similar conclusion that while administrative activities can be quantified and measured such as reduction in turnover and efficiency of HR department, it is very difficult to attribute certain gains such as motivation and morale directly to the implementation of HRIS. As opposed to administrative HRIS, it is complex to establish a definitive link between organization benefits and HRIS deployment. The literature shows many previous related studies in HRIS, however, most of them were theoretical. In addition, most studies were conducted in the context of developed countries' organizations. Ngai and Wat conducted a survey of the implementation of HRIS in Hong Kong organizations. They found that the greatest benefits of the implementation of HRIS were the quick response and access to information that it brought, while the greatest barrier was the insufficient financial support. In addition, Ngai and Wat reported many other previous related studies conducted in HRIS implementation. For example, a study of Martinson's aimed to compare the degree and sophistication in the use of IT between Canada and Hong Kong. Martinson found that the use of HRIS was less widespread in Hong Kong than in Canada, while IT for HRM was applied more in Hong Kong than in Canada. Ball conducted a survey in order to explore the uses of HRIS in smaller UK organizations and found that smaller organizations were less likely to use HRIS. Moreover, Burbach and Dundon conducted a study to assess the strategic potential of HRIS to facilitate people management activities in 520 organizations in the Republic of Ireland. They found that foreign owned large organizations adopted HRIS more often than smaller Irish owned organizations. They also found that HRIS technologies were used for administrative rather than strategic decision-making purposes. Another recent study conducted by Delorme and Arcand aimed to elaborate on the development of the roles and responsibilities of HR practitioners from a traditional perspective to a strategic perspective, found that the introduction of new technologies in the organization affected the way HR professionals accomplished their tasks within the HR department and the rest of the organization. The main HRIS problems were lack of knowledge of HR department about HRIS and lack of importance given to HR department in these organizations. Cooperation is required across various functions and divisions of the organization for proper implementation of HRIS.

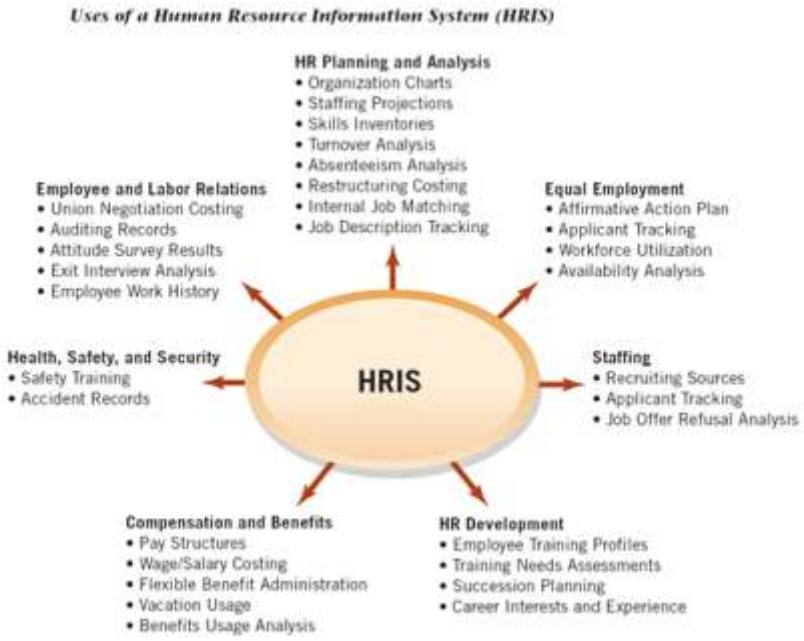


Fig. 1

6.IMPACT OF HRIS ON HIRING

Hiring is usually the last and final step of the recruitment process. Recruitment is one of the most important and fundamental functions of the HR department. An effective recruitment strategy can lead to the hiring of the best candidate. This in turn can contribute not only in keeping cost down, but also in facilitating the processes of succession planning, employee retention, greater employee motivation, and reduced turnover

With inadequate background checks and lack of proper references, employers tend to hire people through informal networks of personal contacts. In this scenario, the HRIS system is of little importance and any real relevance. On the administrative side regarding choosing the best people, the problem might be a lack of user preference in the context of using the HRIS, but greater emphasis would be on how the organization is operated. It can be that, top management simply regards the HR department as merely an administrative tool rather than a serious participant in setting the strategic priorities of the organization. On the HRIS side, if profiles are not properly made and maintained then the selection of the best candidate is difficult. A proper employee's profile should consist of number of years with the company, projects participated in, training attended, certifications completed, awards won, and targets achieved. Future employee aspirations, goals and milestones need to be put in the system. The system must also support a proper succession plan, which would indicate the positions to be vacated, and the basic criteria against which a potential successor would be evaluated. When the profiles of employees can be linked to the succession planning tree, then this can facilitate at least internal hiring, at the right place with minimal cost.

7.INCREASING THE STRATEGIC ROLE OF HRIS

One of the major roles of HRIS system is to improve communication between HR and other departments, facilitate effective decision making make effective decisions and gain a competitive advantage for the organization.Regarding strategic consideration, it is safe to assume from the results that HRIS will continue to play a more administrative rather than a strategic role within most organizations. This trend can be reversed if the available information is disseminated to other employees within the organization. However, management has to make sure that the right information reaches the right people. In addition it costs the organization both time and money when employees have to look through stacks of information to identify which is most relevant to them. This in turn impairs the employee's ability to think strategically. This problem can be overcome by providing relevant information access to each department. The extent to which HRIS can provide a competitive advantage to any organization is contingent on the role of the HR department within that organization. In institutions where HR is mostly confined to a personnel or employee advocate role, it is difficult to see how even the most effective HRIS can contribute towards increasing the competitive advantage of the organization. The reports that are generated might not be user-friendly and that might be the reason why the information generated by the system is not being properly utilized to its fullest potential. The reason can be that people are not encouraged to read the reports and then make tactical decisions, based on the information provided. Overall, more needs to be done and further research needs to be conducted to discover how HRIS can be better utilized to strategically benefit the entire organization

8.SECURITY OF HRIS

The privacy of employee information has become a major issue in recent years. With identity theft becoming a common problem, employees are becoming more sensitive about who sees their personal information, and the security it is kept in. By making sure employee information that is kept in the HRIS is relevant to the company and making sure there is limited access (password protection) to such information, companies can make its employees more secure with the safety of their information. Whether electronic or paper, employee files deserve to be treated with great care. Establishing security and end-user privileges calls for a balance of incorporating, HR policy, system knowledge and day-to-day operations.

9.LIMITATION OF HRIS

An HRIS also can be a problematic for small businesses in which some employees must wear many hats. Some of the disadvantages of an HRIS involve human error during information input ,costly technology to update in system and malfunctions or insufficient applications to support companies human resources needs. There is a demand for computer and technology specialists with general information technology knowledge, and finding a qualified specialist with human resources functional area knowledge can be difficult. With such a demand, companies cost to hire an HRIS specialist may be far above the average salary for a computer technology specialist.

10.CONCLUSION

Human resources information systems (HRIS) can play an important part in a company's HR function. After all, we live, work and play in the information age. Implementing an effective HRIS can be sure-fire for HR to stay on the cutting edge in its bid to deliver more effective and streamlined service. The main conclusion of this paper is the realization that the use of computerized HRIS is most effective then manual because its help to maintain data with more accuracy in less time. And it is also true that HRIS functions improve HRM in terms of administrative purposes and analytical purposes. HRIS work as a key component of the organization and a good HRIS will provide important information about human resources needs and capabilities; this information will assist the management team in establishing the organizational mission and setting goals and objectives in motion. HRIS is not limited to the computer hardware and software applications that comprise the technical ppart of the system: it also includes the people, policies, procedures and data required to manage the HR function.

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