

HRIS AND ITS IMPLICATIONS IN HRM INDUSTRY**Ms.S.Usha***Lecturer, Department of Business Administration, Madurai Kamaraj University College, Madurai.***Ramu .V***Assistant Professor, Dept. of Management Studies, Misrimal Navajee Munoth Jain Engineering College, Chennai.***ABSTRACT**

Human resource can be defined as an integrated system used to gather, store and analyze information regarding information of an organization. In other words that is an intersection of human resources and information technology through human resource software solutions. It is the only information system software which is used to acquire, store, manipulate, analyze and retrieve information about the human resource of an organization. HRIS is not limited to the computer hardware and software applications that comprise the technical part of the system, but also includes the people, policies, procedures and data required to manage the HR function. The goal of HRIS is to merge the different parts of human resource, including payroll, labour productivity, and benefit management into a less capital intensive system than the mainframes used to manage activities in the past. It also called as Human Resource Management systems (HRMS). In most of the situations, an HRIS will also lead to increases in efficiency when it comes to decision making in HR. The purpose of this paper is to enable enrich the knowledge in HRIS in order to enhance the effectiveness of the performance of the employees in an organization.

Keywords- HRIS, HRM, HRMS, Human Resource.

INTRODUCTION

Information and information processing are such a vital part of human beings that they contribute heavily to the success or failure of their different activities. It is hard to name any human activity in which information does not play an important role. However, such a statement is even more relevant in the case of formal organizations in which people assemble to achieve common objectives through their coordinated efforts. In general, to maintain a competitive advantage in the market place, firms need to balance the resources available to the firm to achieve the desired results of probability and survival. The resources available to the firm fall into three general categories; that are physical, organizational and human. Among the growing number of organizations human resource is now viewed as a source of competitive advantage and management of the human resource is the most critical one.

HRIS –DEFINITION

A HRIS, or Human resource information system, is a software solution for small to mid-sized businesses to help automate and manage their HR, payroll, management and accounting activities. 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. HRIS offers other options to help companies understand and fully utilize their workforce's collective skills, talents, and experiences.

MODULES OF HRIS

The following are some of the most popular modules of HRIS used currently in many organizations. They are

1. Recruiting (applicant and resume management).
2. Attendance (Manage incident based and regular time off, track accrual pay and all attendance plans, create reports easily).
3. Organization charts (Create professional looking, dynamic organization charts)
4. Alerts (automatically notify personnel of performance reviews, benefits enrollment, compliance requirements and other key events).
5. Employee self service (Employees can update personal information and view benefits elections, absence transactions, time-off balances and payroll information).

6. Benefits Administration (Save paper and postage, take weeks off the benefits open enrollment period, reduce administration time, and improve data accuracy).
7. Produce reports in minutes.
8. Succession plans.
9. Track training for employees.

HRIS AND ITS NEED

HRIS provide human resource professionals with opportunities to enhance their contribution to the strategic direction of the firm, First by automating and devolving many routine human resource task to the line management, HRIS provides human resource professionals with the time needed to direct their attention towards more business critical and strategic level tasks, such as leadership development and talent management. Apart from the above it includes the following needs.

1. Providing a comprehensive information picture as a single, comprehensive database; this enables organizations to provide structural connectivity across units and activities and
2. Increase the speed of information transactions.
3. Increasing competitiveness by improving HR operations and improving management Processes.
4. Collecting appropriate data and converting them to information and knowledge for improved timeliness and quality of decision making.
5. Producing a greater number and variety of accurate and real-time HR-related reports.
6. Streamlining and enhancing the efficiency and effectiveness of HR administrative functions.
7. Shifting the focus of HR from the processing of transactions to strategic HRM.
8. Reengineering HR processes and functions.
9. Improving employee satisfaction by delivering HR services more quickly and accurately to them.

TYPES OF HRIS

1) Operational HRIS

Operational human resource information systems provide the manager with data to support routine and repetitive human resource decisions. Several operational-level information systems collect and report human resource data. These systems include information about the organization's positions and employees and about governmental regulations.

2) Tactical HRIS

Tactical human resource information systems provide managers with support for decisions that emphasize the allocation of resources. Within the human resource management area, these decisions include recruitment decisions; job analysis and design decisions, training and development decisions, and employee compensation plan decisions.

3) Strategic HRIS

Strategic human resource information system provide the Organization to involved in long-term strategic planning, such as those planning to expand into new market areas, construct factories or offices in new locations, or add new products, will need information about the quantity and quality of the available workforce to achieve their goals. Information systems that support workforce planning serve this purpose.

BENEFITS OF HRIS IN COMPANIES

An effective HRIS provides information on just about anything the company needs to track and analyze about employees, former employees, and applicants. The company will need to select a Human Resources Information System and customize it to meet the needs of the company. Comprehensive and integrated HRIS can be used widely - in administrative, operational and strategic fields by HR and other managers. On the operational level HRIS data can be used to identify potential of the applicants for job vacancies, saying external recruitment costs and assuring employees of career opportunities. HRIS enables the human resource department to make a more active role in

organizational planning. Computerization will make forecasting more timely, cost effective, and efficient. With continued technological breakthroughs HRIS systems are becoming increasingly advanced. One of the most core HRIS functions is intranet HR self-service. Some larger companies use their intranet today for online appraisals, career management, sentiment surveys, training registrations and publishing people related company information. An HRIS or HRMS monitored by qualified specialists who know technology and HR functional and tactical processes can manage compliance with federal and state laws, streamline processes for recruitment and selection, and produce analyses, data and reports for internal and external use. Other advantages of an HRIS include the ease of use for qualification computer technology specialists, accuracy of information and the ability to perform HR audits using any combination of parameters. The employee and manager self-service features are excellent ways to free up the time of the human resources staff members for project work and other duties. Employees and managers can locate answers and information quickly without the need to consult an HR representative every time. With an appropriate HRIS, Human Resources staff enables employees to do their own benefits updates and address changes, thus freeing HR staff for more strategic functions. Additionally, data necessary for employee management, knowledge development, career growth and development, and equal treatment is facilitated. Finally, managers can access the information they need to legally, ethically, and effectively support the success of their reporting employees.

CHALLENGES OF HRIS IN ORGANIZATION

The success of an HRIS Software depends on how well it is implemented by the vendor. Experiences of HR managers in implementing externally developed solutions vary from being comfortable to very painful. It is true that an erroneous implementation can mess up the HR Department and bring more sorrows & regrets than a feeling of happiness in the organization. The challenges faced by the organization while inducing the HRIS software are given below:

1) Selecting right HRIS vendor: The selection of software vendor is the most critical of all the decisions. A successful ERP vendor is not always the best provider of an HR solution. A vendor with experience of developing most of the solutions related to human resource, whether in the personnel or talent management domains or other processes associated with HR, offers a better choice. And if such a vendor has the strength of utilizing latest technology & a vision to perceive the future needs of HR fraternity, he may rate the highest on the scale. Mere branding of the products does not necessarily mean quality, though it does carry a higher price tag. Moreover, a vendor providing complex solutions, for which special skills may be needed for initial data entry, maintenance & creation of management reports, need not be rated high. If an HRIS software can not configure the existing workflows in an organization and wants the user to adapt to the Vendor HR processes, it is likely to be heavy both on training time & costs and may also gather resistance to its usage at the grass root level. A dedicated and customer oriented vendor will move a mile extra to map all client processes on his solution and indicate well in advance the extent of customization required. He may even introduce a set of best practices provided by his solution but leave their adoption to the client. A good HRIS vendor is conscious of the cost but always sells quality.

2) Onus of Responsibility – There is a misconception that introduction of HRIS can relieve HR Manager of all responsibilities. To large extent, HRIS can free up HR Manager from transactional tasks. However, it also brings with it a new set of responsibilities to ensure that the software is being used and implemented correctly. The onus of co-operating with the software vendor and ensuring successful deployment lies with the client HR manager.

3) Over Expectations – Due to overstress on the benefits of HRIS software, partially by the media and partially by the marketing departments of software vendors, organizations have developed larger-than-life expectations from the software solutions. When the solutions are unable to deliver these over-expectations, the clients tend to lose confidence in the vendors. The only way out is either pre-sales discussions or a clear statement of user expectations in the form of a Request for Proposal (RFP) document, to which the vendor responds as per the strengths of his solution, including the additional effort required for customization, if the same is technically feasible.

4) Resistance to Change – Employees at the client location are attitudinally inclined to use only the existing system. They enjoy the loopholes in the processes, more so the inability of a manual system to track progress. Therefore, they offer great resistance to change, especially if the change calls for the acquisition of new skills by the employee. Their resistance to change leads to lack of enthusiasm and co-operation in successfully implementing software systems. The onus of responsibility for change management lies entirely with the client, but some vendors do offer HR consultancy as a supplement to their solutions.

5) Training Requirements – HRIS software may have a completely new interface, large number of functions and specially configured workflows. It may demand users to exhibit some level of expertise in understanding the technology solution. When faced with the new software, user experiences anxiety and may display discomfort in using the system. Such discomfort can result in remaining ignorant of various features, thereby denying to yourself the benefit of full exploitation of the software. A good software vendor can resolve this issue by providing on the system training to key personnel and prepare them as torch bearers. He would also provide sufficient on-line help features to all the users.

6) Configuration and Data transformation – Configuring software to an organization's need and transferring data from existing database to new HRIS is another issue that needs to be handled carefully. The existing data may be either on paper or excel files or in some other form of database. Due to ignorance by employees at client location, the data may not enter the new system in the desired manner, thus obstructing the smooth and efficient functioning of the system, besides creating an inventory of bugs. Best solution to this malady is for the Vendor to obtain data from the client as per a standard template, validate it with a program and consider initial data entry as a service provided to the customer.

7) Software Errors and Bugs – Bugs, error and opportunities for improvement are integral part of software. Expecting HR Software to be picture-perfect and without any errors/ omissions is unfair. These bugs need not scare people since these can be resolved through mutual co-operation between the vendor and client. Once settled, they do not reappear. However, if new bugs surface with higher levels of exploitation of the software, these should be taken as encouraging signals both by the client and the vendor.

8) Work Flow Changes – When you install HRIS software, you also install some innovative globally accepted HR practices and workflows. If you have these practices for the first time, some of the members in your organization may not feel comfortable with the changes, especially the change of work flow.

ROLE OF HRIS IN COMPANIES IN CURRENT SCENARIO

HRIS help a firm maximize the use of human resource and maintain competitiveness in its market. In most large organizations, human resource information systems (HRISs) provide the technology backbone supporting the complete body of human resource (HR) functions. In this role, HRISs play a critical part in the operation of each component of HR. Additionally, by integrating across business processes HRISs provide organizations with control, forecasting, and planning tools that supersede simple computerization of HR functions. For these reasons, effective use of HRISs in organizations contributes to overall organizational effectiveness. Human Resource Information System is a set of people, forms, procedures and data utilized to store, analyze, distribute and use information of human resources. HRIS goal is to provide accurate information for the use of persons making human resource related decisions. The organization can use HRIS for human resource planning. New recruitments can be posted via HRIS as well as applications can be scanned and stored. HRIS also stores information about the employees' participated trainings and learning sessions. Performance appraisal, compensation, benefits, competences and development plans are easily maintained in HRIS. Employees can search for a new career within the organization and be aware of the future trainings. HRIS allows managers to follow employee's job performance and planned versus used hours for a certain assignment. HRIS offers various reports available. Typical HR program involve things such as record keeping, recruiting, selection, training, employees retention and compensation.

CONCLUSION

The effective management of human resource in a firm is to gain a competitive advantage in a market place requires timely and accurate information on current employees and potential employees in the labor market. With the evolution of the information technology meeting this information requirement has been greatly enhanced through the creation of HRIS. 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 than manual because its help to maintain data with more accuracy in less time. And that it also true's 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.

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