

Managing Employees Strategically through Human Resource Information System

Mansi Saxena

Management Education and Research Institute, Delhi, India
mans_i_saxenaa@yahoo.co.in

Abstract: The dynamic environment invites the dynamic roles of HR practitioners in managing employees strategically. The move from ideas to expertise, knowledge to database, and information technology to information system, has given a push to human resource management in managing the unpredictable behaviour of employees. The competitive and information age demands some cost cutting, time saving, efficient and effective tools to manage various HR functions at one end, therefore, the adoption of human resource information system (HRIS), a combination of HR and IS through a software has made a valuable contribution in the efforts of HR practitioners. HRIS today act as a database for data mining which is an effective practice of retention and talent management and Decision Support System (DSS) in accordance with time, information and needs of the organization. This research used a mixed methodology to collect the data. A qualitative research has been done by exploring various corporate portals and HR practitioners from four IT companies: IBM, TCS, Nagarro Software and Accenture are questioned via face – to – face interaction, telephonic conversation and group discussion to analyse the strategic bend of using HRIS and to know the compliance dimensions of HR practices with IT tools. The finding of the study suggests that, IT organizations map the plans with the strategies before they initiate its implementation through HRIS. Critical and complex information are managed in an efficiently planned manner as human and humane acts are challenging. The need is to inculcate the education and importance of HRIS to all the employees of the organization and not only to HR staff, as the competitive scenario asks for strategies with goodness for survival and growth.

Key Words: Human Resource Information System, Human resource Management, Strategy

I. INTRODUCTION

The winds of globalization, multi-faceted work culture and multi tasking jobs has created waves in the minds of the working groups. The race to beat the competition, match the customers expectations and lead the market, observes the need for the organizations to have stable, satisfied and talented workforce. Globalization initiates the drive for digitalization, with the objective to make the jobs effective and efficient. Human resources find this digital world to be attractive and try to simplify their lives, but they need education before hands on. On the other side it is not the technology but the art to manage human resources which is the continuing challenge for the executives (Druckler, Dyson, Handy, Saffo, and Senge 1997). Cheng Ling Tan and Aizzat Mohd. Nasrudin (2011) postulates that IT tools can be a source of procuring, engaging, developing and retaining diverse groups for economic appraisal to any organization.

Human Resource (HR) professionals often find themselves occupied with paper work and mostly miss critical issues as a counter effect. The acceptance and education of HRIS has made the strategic contribution in work of HR practitioners and organization, and therefore the HR adds to the competitive advantage in this competitive world (Michael, 2012). The strategic implementation of HRIS is at three levels, firstly for acquiring the information, second for quick execution of transactions and finally to give a new dimension of HR function on the lines of strategy (Lengnick – Hall and Moritz, 2003). The purpose of HRIS is to transform HR activities through electronic automation system and allow its practitioners to integrate the information, analyze it, retrieve it and use it in best of the organization.

Although HRIS underwent a transformation from its first application at General Electric in 1950's due to of its complexity and inefficient results in accordance with HR functions (Bussler and Davis 2001/2002). But this does not mean that HRIS is not an efficient system, infact in the later stages the system gained the importance through automation of transactions and ease of operation. The design, structure and storage of HRIS is in a manner to support attendance of employees, work flow, employee records, performance management, training and development, recruitment and selection, learning management, administrative activities and compensation management.

The highlighted debates about technology and organization have acknowledged the importance of material and social values inclusive of HRIS. Thus the individuals and groups engage themselves with the technology in terms of use, retrieval and comprehension (Orlikowski and Barley 2001; Grint and Woolgar 1997; Williams and Edge, 1996). A remarkable move has made by HRIS in dealing with the concerns of talent management, retention management and development of employees with good database of information about the activities, movement and competencies. This adds to the competitive world in favour of HR resources to meet the expectancies of the global environment.

II. LITERATURE REVIEW

Strategic human resource makes a good contribution to the organization in terms of HR planning, developing and sustaining for long term survival and growth (Ebenezer and Evans, 2012). HRIS made best of its contribution to make HR function more organized, systematic and transparent. Above all HRIS focuses on accelerating the efficient work, exploring the new dimensions and transforming the vision through empowering employees and giving them the information required to accelerate growth as seen in figure 1.1.

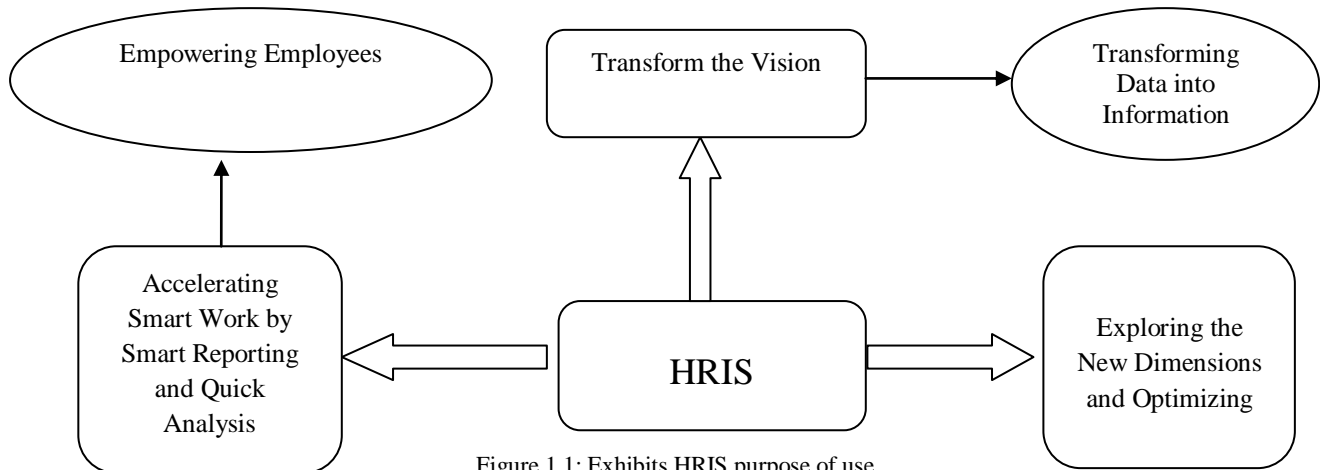


Figure 1.1: Exhibits HRIS purpose of use

In 1980, Smith, through his detailed integrated diagram on HRIS explained the categories of input transformation and output analysis to make work easier and to extract critical information in measurable variables.

All sizes of organization in today's time seek the importance of HRIS in form of time saving, cost saving, accuracy and quick decision making (Lederer, 1984; Wille and Hammond, 1981). Kovach in 2002 postulates the advantages of using HRIS is mainly administrative and strategic. On the same side, Beckers and Bsat, 2002, had traced five reasons of using HRIS, that is, first to improve the HR practices, second to decrease unnecessary paper work for HR and let them focus on more critical matters, third to provide competitive edge by making best use of available resources according to their efficiency, fourth to engage and empower employees for better relations and fifth to transform the HR function to strategic business partners.

HRIS Information Package

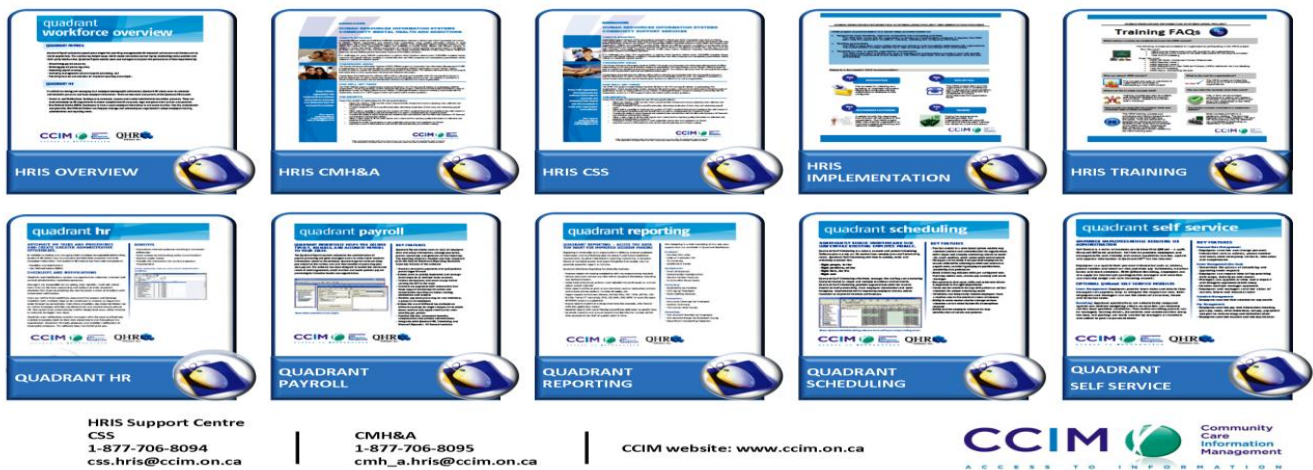


Figure 1.2: Exhibits HRIS information package for decision making

Figure 1.2 represents HRIS strategic collaboration with HR functions through transforming information related to payroll, training, scheduling, CSS and complete overview of all HR activities to strategic business perspective for all professionals from executives to top management. This enables the practitioners to enhance the performance of the organization in strategic mode (Lawler, Levenson and Boudreau, 2004; Lengnick – Hall and Mortiz, 2003; Gueutal, 2003; Barney and Wright, 1998; Broderick and Boudreau, 1992). Kavanagh, Gueutal and Tannenbaum in 1990 contributed to the study by stating that organization’s human resources are engaged properly through HRIS by means of acquiring, translating, storing, fetching and using required information in building better relation, boosting morale and taking strategic steps to face threats and competitions. Through HRIS we can tap the time, budget, quality of work and commitment towards employee development as seen in figure 1.3.

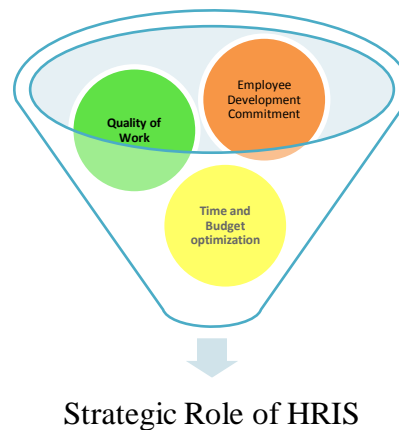


Figure: 1.3: Exhibits strategic roles of HRIS by Ebenezer and Evans, 2012

III. RESEARCH METHODOLOGY

The research is executed with the objective of analyzing the strategic use of HRIS and to know the compliance dimension of HR practices with IT tools. A mixed methodology is adopted to collect the data. A qualitative research has been done by exploring various corporate portals. Web based analysis is made to support the objective of the study and a descriptive research is done with the HR executives and managers of four I T companies: IBM, TCS, Nagarro Software and Accenture. Focus group discussion is done with 29 HR executives, structured in-depth interview was made to 11 HR managers, were in, with 6 managers it is detailed telephonic conversation and with 5 managers it was face-to-face interaction. All the executives and managers are asked same questions in a same manner. Care was taken to ensure the privacy of the respondents and their confidentiality is assured.

Findings: The descriptive study with HR executive and managers explores the way of strategic thinking by HR practitioners with HRIS. They make the strategies by deriving and retrieving information from HRIS.

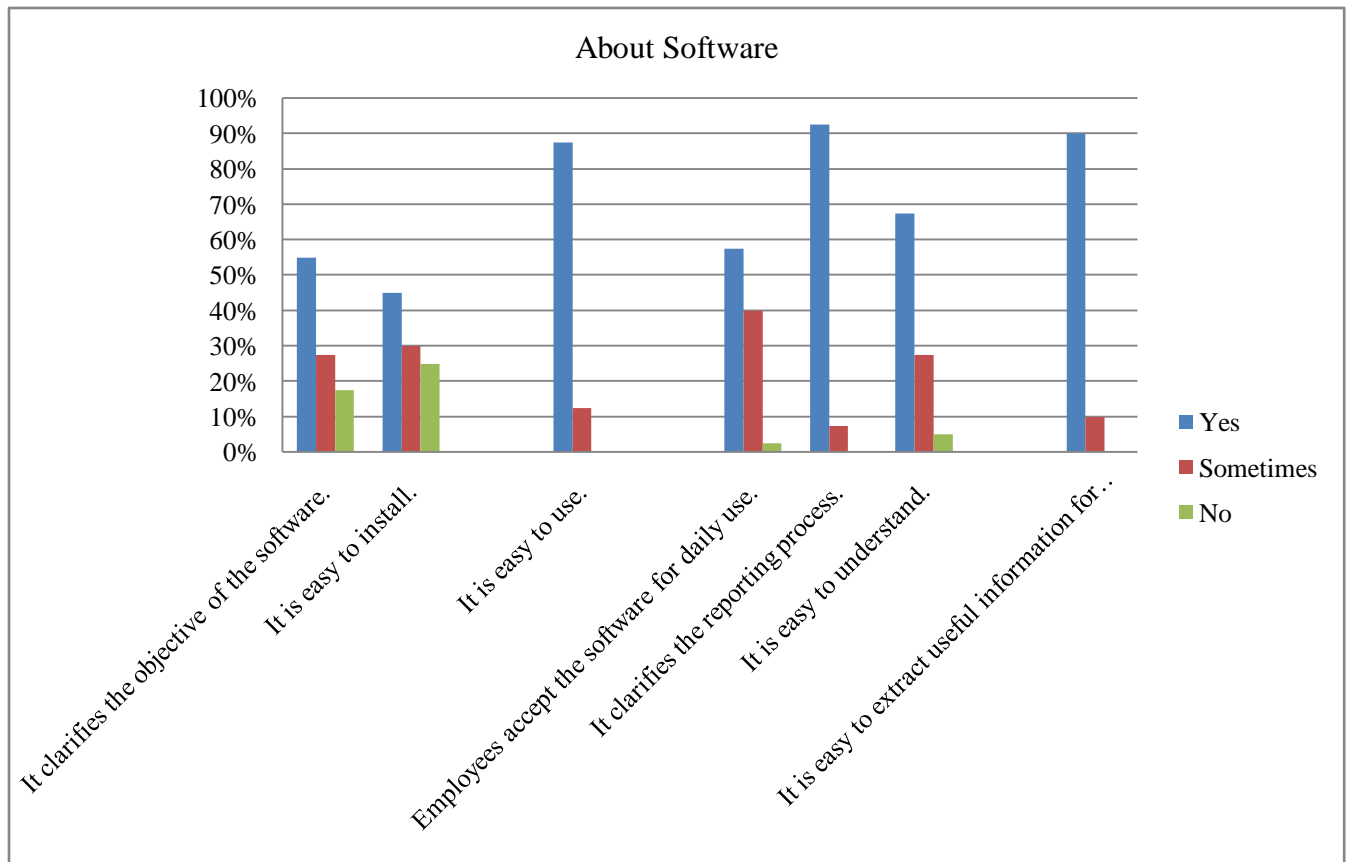
Baseline information:

Gender	
Male	43%
Female	57%
Age	
21 -26	10%
27 - 32	42.50%
33 - 38	27.50%
39 and above	20%
Qualification	

Diploma	7.50%
Degree	27.50%
Post graduate	55%
Doctorate	10%
Size of the organization	
less than 100	0%
100 - 500	55%
501 -1000	32.5
1001 and above	12.50%
Size of the department	
less than 15	5%
15 - 35	42.50%
36 - 55	45%
55 and above	7.50%

Awareness of the software: There is 100% acceptance about the awareness of the software. Today all the participants are using HRIS for managing number of routine jobs. Though the competitive market offers them a number of software but they can not opt for them as they have to check their requirements and their use in future. This result shows the technology has already gained acceptance in the function to derive number of benefits.

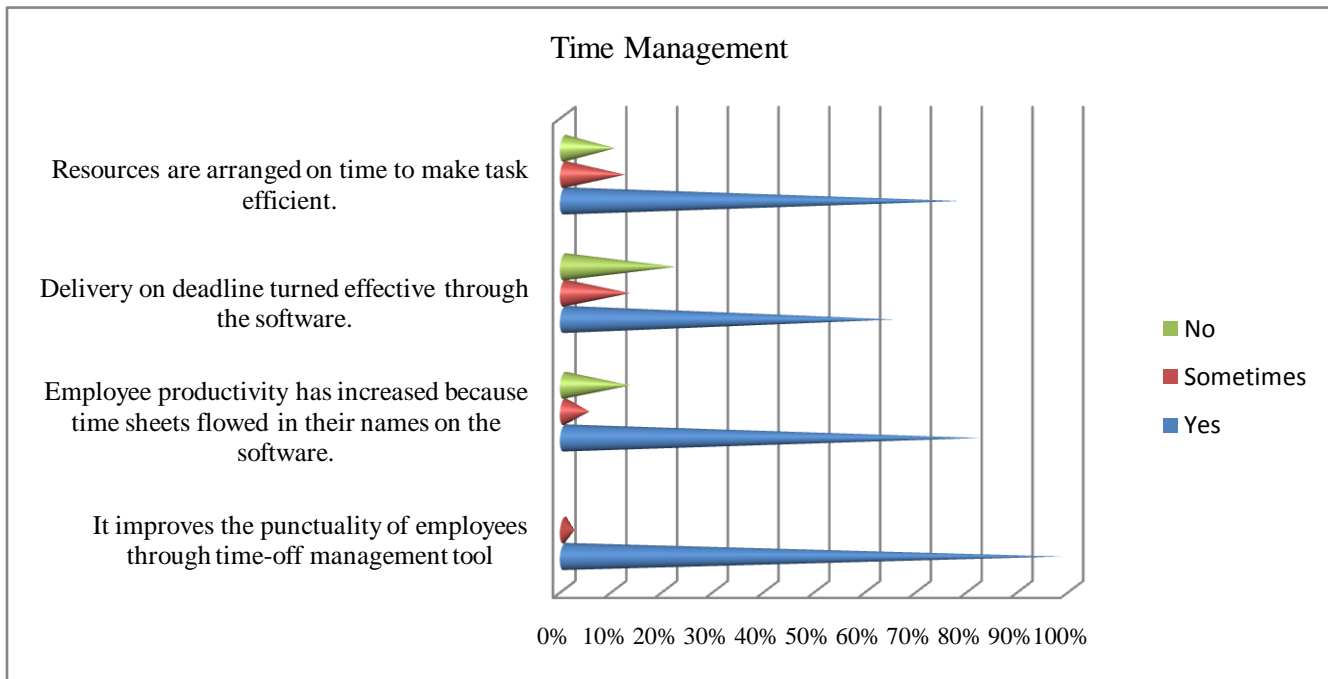
About the software:



55% of participants agreed that the software clarifies the objective of work and 45% accepts the ease of installing the software. 87.5% finds it is easy to use HRIS. This is a good percentage to ripe the benefits of using HRIS in coming times. But 40% of employees sometimes use the HRIS for daily purpose. The reporting process, understanding process for usage of HRIS and extracting useful information gains major acceptance.

HR professionals find it difficult to inculcate the habit of using the software in initial times. Today they are able to extract information with ease by clarifying the objective and reporting structure to employees. Above findings show that HR practitioners have to initiate steps for daily usage of the software among all employees, as employees need to bring in habit to feed the information of their activities on regular basis.

Time Management:



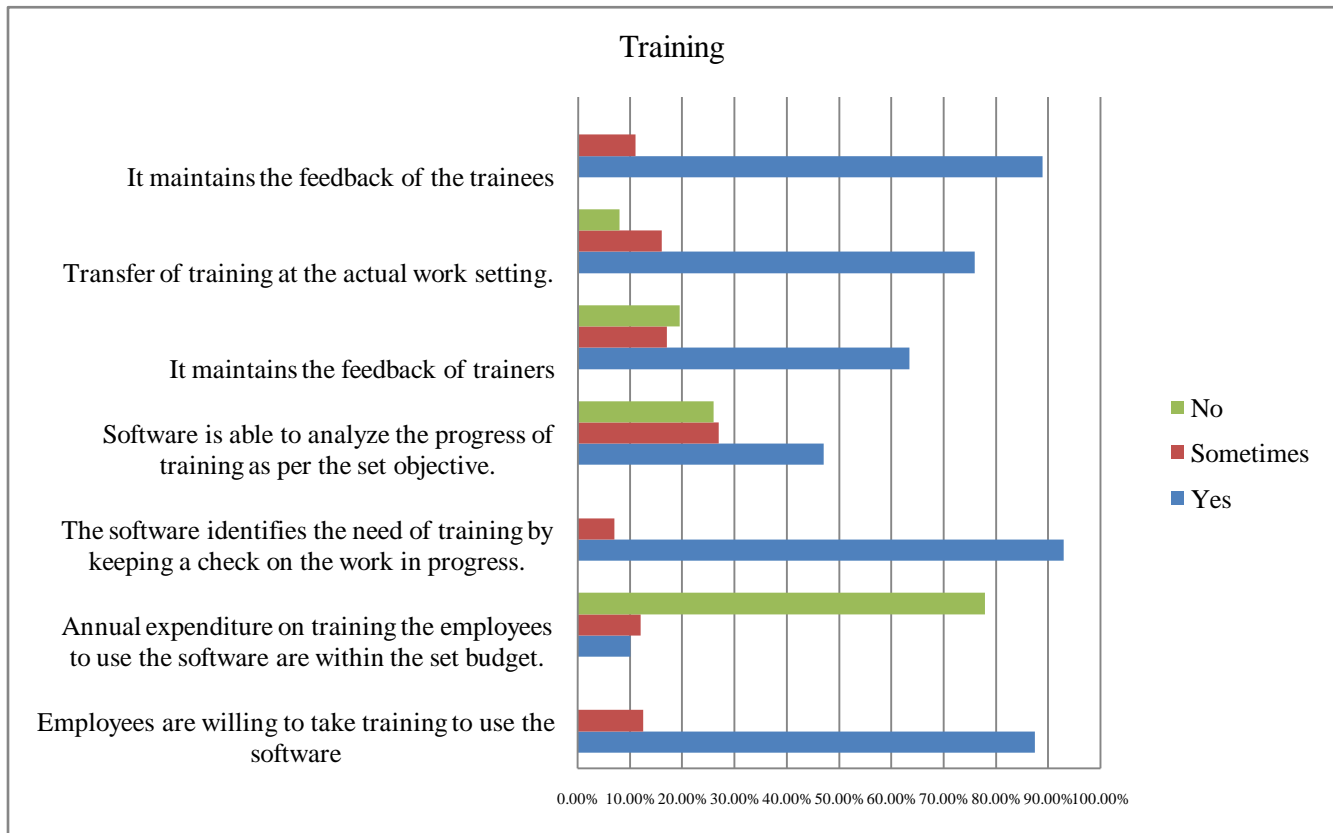
The HRIS has made 98% employees punctual through proper time-office management tool. 78% arrangement of resources are made beforehand to make task efficient. 82% employees have shown an upward trend in their productivity. 65% are able to meet deadlines through HRIS.

The above results prove that HRIS is good software in terms of time-management act. Employees have developed a habit of being punctual and put in best to make work on time. But HR practitioners, many- a- time finds the need to manage unpredictable changes which is still cannot be coped up.

The focus group discussion revealed that employees had learnt the tactics of avoiding the entry time in organization is they are late. The arrangement of resources is a point of concern because the information feed in the software is delayed which causes inconvenience in arrangements. Deadline could be met if employees keep a regular check on the software. Thus the purpose is to make HRIS as a blood of the organization.

Training: 87.5% of employees are willing to take training to make use of HRIS but 78% says that it exceeds the budget for training many a times. 93% finds it easy to identify the training needs through HRIS. 47% feels software do identify the progress of training as per the set objectives. 63.5% feels it maintains the feedback of the trainer and 89% says it does it for trainees. 76% employees are able transfer their training to actual work.

The in-depth interview reveals that for training purpose, software has contributed a lot. Although it exceeds their training budget but the efficiency they derive out is more than the cost incurred. Employees are able to work systematically with more clear vision and better results.



Performance Management: 83% accepted that HRIS clarifies the purpose of work. 58% feels it relates the objectives with the individual's objective. 92% are able to self assess the work assigned them with 97% acceptance of defined work parameters. 67% checks their daily performance sheets to avoid shortcomings and that is why 45% denies that software reduces deviation. 98% assures the simplification of performance evaluation process by identifying the areas of improvement by 81% of employees. 99% of work records of all employees are at easy access and 67% accepts that the organization is able to perform better with employee performance through HRIS.

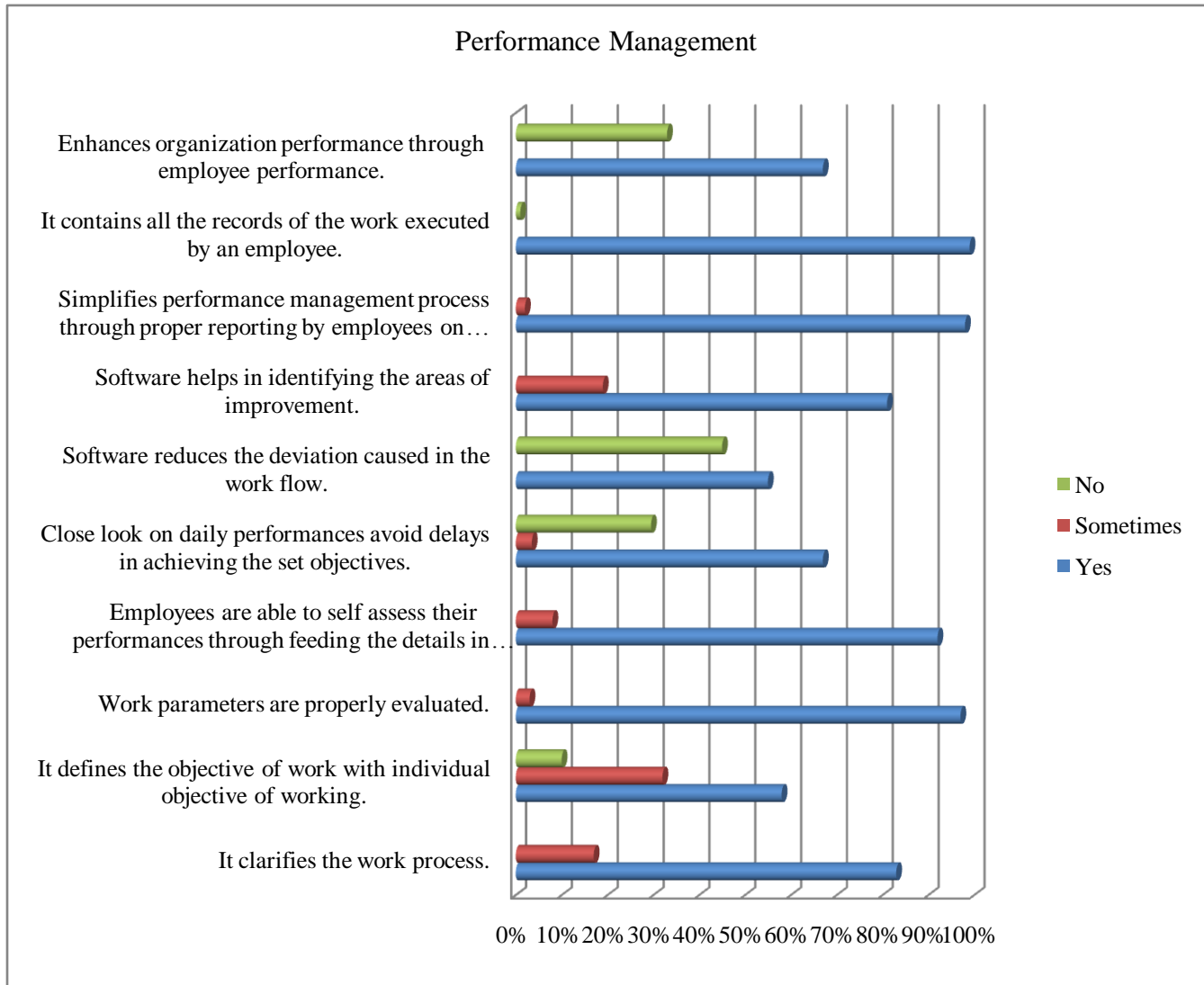
Qualitative analysis reveals that though HRIS made a mark in performances of employees but the daily reporting process should be regular and daily assessment of self work will help the employees to improve and work better.

Compensation Management: 88% participants accepted that HRIS has made the compensation process simpler. 99% says it clearly defines the grade as per the performance level and 100% accepted that it is easy to communicate the information regarding the salary and its bifurcation.

The personal interviews and focus discussion states that HRIS clearly draws an attention on the taxation, benefits from the organization and on any unpaid dues to an employee which to an extent relax the HR practitioners from taking intra calls regarding the salary queries.

Benefits to HR practitioners: The qualitative approach of research made in-depth move in the benefits derived from the HRIS. All most all 40 of the respondents accepted that HRIS had not only reduced their paper work but highlights the more critical information which demands action. The good number of participants accepted that the automation of transactions saves time and cost. With the help of HRIS critical issues are nicely handled with no or negligible lost. Talent management and career management tools of HRIS are quite effective; this in turn supports the training programs from assessing the need to execution in practice. HR practitioners find it easy to track the information regarding work flow, performance, compensation, participation of employees and planning of manpower. Although the cost of buying the software and then training the employees are on a higher bracket but the advantages revealed are much better than what invested. They

observed a new HR practice all together with better relations, clarity of work, roles, responsibilities and authority. According to the responses HRIS works wonders in retention management, performance management and people management.



These benefits can be more fruitful if employees are properly educated at all levels of management about the use and the purpose and above all they fill their sheets on the software on regular basis to update the information rather postponing it to next time.

Web analysis: Going through number of corporate portals and web sites reveals that there are number of software available in the market. Some contributes best in recruitment, some in talent management; some gives clear picture of an employee performance and helps in career management. HRIS overall made HR professionals at some ease in managing number of things.

IV. CONCLUSION

HRIS added to strategic advantage to the organization in terms of retention management, performance management, compensation management, talent management, people management and career management. It's just proper education about the software and its regular use will be more advantageous.

V. REFERENCES

- [1] Bader Yousef Obeidat (2012), "Relation between Human Resource System functions and Human Resource Management functionalities". *Journal of Management Research*, Vol 4
- [2] Bussler, L., & Davis, E. (2001/2002). *Information System: The quiet revolution in human resource management*. *Journal of Computer Information System*, 19(3), pg: 7-17
- [3] Cheng Ling Tan and Aizzat Mohd. Nasrudin, (2011) "Human Resource Management Practices and Organisational Innovation: Assessing the Mediating role of Knowledge Management Effectiveness" : *The Electronic Journal of Knowledge Management*, Vol 9 Issue 2, pg 155-167
- [4] Dr. Amaeshi Francis, (2013), "Human Resource Management and Technology Transition for Firm's Competitiveness in Nigeria's telecommunication Industry". *International Journal of Advancement in Research and Technology*, Vol2, Issue 12
- [5] Druckler, P.F., Dyson, E., Handy, C., Saffo, P., & Senge, P.M. (1997). *Looking ahead: Implication of present*. *Harvard Business Review*, 75(5), 18-24
- [6] Ebenezer Ankrah, Evans Sokro (2012). "Human Information System as a Strategic Tool in Human Resource Management". *Problems of Management in the 21st Century*, Vol5, pg: 6-15
- [7] Grint & Woolgar, (1997), *The Machine at Work: Technology, Work and Organisation*. Cambridge: Polity Press
- [8] Lawler, E., Levenson & Boudreau, J. W., (2004), "HR metrics and analytics: Use and Impact". *Human Resource Planning*, 27(4), pg: 27-35
- [9] Lederer, A.L., (1984). "Planning and developing a human resource information system". *The Personnel Administrator*, 29(8), pg: 43-48
- [10] Lengnick-Hall, Mark L., & Mortiz, S. (2003). *The Impact of e-HR on Human Resource Management Function*. *Journal of Labor Research*, 24 (3), pg:365-379
- [11] Md. Sadique Shaikh (2012), "Human Resource Information System designing needs for Business Application". *Zenith International Journal for Business Economics and Management Research*, Vol 2, Issue 1
- [12] Michael, J., Kavanagh, Mohan, Thite, Richard, D., & Johnson. (2012). "Human Resource Information System (2nd ed.)". Sage Publication
- [13] Orlikowski, W. J., & Barley (2001). *Technology and Institution: What can research on information technology and research on organization learn from each other?* *MIS quarterly*, 25(2), pg: 145-165