HUMAN RESOURCE INFORMATION SYSTEM AND ITS IMPACT ON HUMAN RESOURCE PERFORMANCE- A STUDY ON LARGE SCALE INDUSTRIES OF MEDAK DISTRICT

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ABSTRACT

In the present context of globalization, employing organizations and their environments have become increasingly complex. Managers in these organizations face growing difficulties in coping with workforces that may be spread across various countries, cultures, and political systems in such cases manual systems are becoming very difficult. On the other hand information technology has considerable potential as a tool that managers can use, both generally, and in human resource functions in particular, to increase the capabilities of the organization. HR executives are looking to technology and the information it provides to help them drive decisions that will lead to success of the organization as a whole. Little investigation is made out, to measure the effects of HRIS on HR performance. This study, examines the current status of HRIS empirical research, and proposes an architectural model to explain the integration of different human resource processes into a single management system. In the proposed framework, integration is presented not only as the ability of the HR function to respond to cost cutting plans, but also as its capability to evolve into a service center where time is spent on firm's competitiveness issues. The first outcomes suggest is it lacks a "hard" performance basis whereas the second one does not confirm any direct correlation between higher HRIS progression and better HR performance. This also implies that implementation effectiveness may be a necessary but not sufficient condition for HRIS effectiveness.

Keywords: *Human Resource information system, (HRIS), Human resources (HR)*

INTRODUCTION

Many well-known examples of the use of information technology for competitive advantage involve systems that link an organization to suppliers, distribution channels, or customers. In general, these systems use information or processing capabilities in one organization to improve the performance of another or to improve relationships among organizations. Declining costs of capturing and using information have joined with increasing competitive pressures to spur numerous innovations in use of information to create value.

In the present context of globalization, employing organizations and their environments have become increasingly complex. Managers in these organizations face growing difficulties in coping with workforces that may be spread across various countries, cultures, and political systems. Given such trends, manual HR systems management is completely inadequate (Beckers & Bsat, 2002). On the other hand information technology has considerable potential as a toolthat managers can use, both generally, and in human resource functions in particular, to increase the capabilities of the organization (Tansley & Watson, 2000). Those managing the human resource functions have not ignored such potential, and a widespread use of human resource information systems (HRIS) has occurred (Cedar, 2009-2010).

HR executives are looking to technology and the information it provides to help them drive decisions that will lead to success of the organization as a whole (Wilcox, 1997). Snell, Stueber, and Lepak (2002) observe that HR can meet the challenge of simultaneously becoming more strategic, flexible, cost-efficient and customer-oriented by leveraging information technology. They point out that IT has the potential to lower administrative costs, increase productivity, speed response times, improve decision-making, and enhance customer service all at the same time. The need for cost reduction, higher quality services, and cultural change are the three main forces that have driven firms to seek IT-driven HR solutions. It is very

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much essential for any organization to define technology driven solutions for easy functionalities. According to Broderick and Boudreau (1992) a HRIS is the composite of databases, computer applications, hardware and software necessary to collect/record, store, manage, deliver, present, and manipulate data for human resources. Tannenbaum (1990) defines a HRIS as a system that is used to "acquire, store, manipulate, analyse, retrieve, and distribute information about an organization's human resources". Most of the well-established organizations in Medak district are the facing the problems in particular of adopting the latest technology like HRIS and HRMS because of in sufficient qualified people along with lack of proper training facilities for the updated technology.

REVIEW OF LITERATURE

The primary goal of Human Resource Management in any organization is to felicitate organizational performance. Productivity improvement is most common indicator to assess the effect of HRM on company performance productivity improvement relates to getting more out of what has been put in doing better with available technology working smarter not harder. Firms performance can also be measured in terms of quality of work life and the bottom line.

In any organization the hierarchy of management is composed of senior management which makes long term decisions, middle management who carries out programs and plans and operational management which is responsible for monitoring the daily activities of the business. Each of these groups has different needs for information given their different responsibilities (Laudon & Laudon, 2009). Management information system (MIS) is designed to assist managerial and professional workers by processing and disseminating vast amounts of information to managers' organization-wide (Alavi & Leidner, 1999). Management information system supplies information for strategic, tactical and operational decision making to all subsystems within the organization. This information provides an essential part of the feedback control mechanism in these areas and is necessary for the realization of subsystem objectives (Curtis & Cobham, 2002). Management information system is any system that provides information for management activities carried out within an organization. The information is selected and presented in a form suitable for managerial decision making and for the planning and monitoring of the organization's activities.

HR functions increasingly started to deploy human resource information systems in their daily work. HRIS were primarily seen as MIS. Sub functions within HR areas intended to support the "planning, administration, decision making, and control activities of human resource management.More complex HR practices focused on a company's overall performance goal, HRIS correspondingly evolved into more sophisticated information expert systems featuring analytical tools to support decision-making in managing human capital (Ostermann, Staudinger & Staudinger, 2009). Information technology in the past decade drastically changed the human resources function. Providing support for mainly administrative activities such as payroll and attendance management in the beginning, information technology today enhances many of the recruitment function's sub processes such as long and short-term candidate attraction, the generation, pre-screening, and processing of applications or the contracting and on boarding of new hires. Online job advertisements on corporate web sites and internet job boards, online CV databases, different forms of electronic applications, applicant management systems, corporate skill databases, and IS supported workflows for the contracting phase are only few examples of the variousways by which information systems today support recruitment processes (Keim & Weitzel, 2009).

HRIS can support long range planning with information for labor force planning and supply and demand forecast; staffing with information on equal employment, separations and applicant qualifications; and development with information on training programs, salary forecasts, pay budgets and labor/employee relations with information on contract negotiations and employee assistance needs (Shibly, 2011). Risk and security management is another crucial function which can be derived by HRIS by following private and highly sensitive individual data and multiplatform security aspects which are perhaps the most serious

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factors that need to be taken into consideration (Karakanian, 2000).HRIS plays an important role for any organization to effectively manage its human assets. Many organizations have adopted HRIS to assist their daily human resources operations. HRIS must align and satisfy the needs of the organization and its users.

The current generation of HRIS automates and devolves routine administrative and compliance functions traditionally performed by corporate HR departments and can facilitate the outsourcing of HR. More recent research shows greater use of HRIS in support of strategic decision making by HR. With an appropriate HRIS, HR 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 are facilitated. Finally, managers can access the information they need to legally, ethically, and effectively support the success of their reporting employee.

OBJECTIVE OF THE STUDY

In the present context the technically growing society with heavy competition it is very much essential for the organization in up gradation of the existing technology, unfortunate that very little study is made out in Indian organizations related to HRIS importance. The main objective of the study is to examine and analyze effect and effectiveness of HRIS on the HR function of the organizations of existing industries of Medak district. The paper involves the following questions

1) Is there any effect and effectiveness of HRIS on HR functions of organization.
2) What sort of impact created by HRIS on HR functions
3) The implementation of HRIS brought any changes or development in the work culture of HR department in the organizations

METHODOLOGY

The purpose of the study is to determine the relationship between the satisfaction of employees from HRIS and their perceptions of HRIS among HR department and other officials. Second aim of the study is to reveal the perceptions of employees for the dimensions that constitute HRIS and explain the points that should be developed. Also, it is aimed to reveal that if the HRIS perceptions of employees show difference or not according to their demographic qualifications (age, gender, seniority, position, education). The research has importance to determine the contribution and success of using HRIS for HR employees.

Nearly 78 HR employees from different sectors participated in this study. The questionnaire is circulated to nearly 100 HR managers. 78 members responded. For the designed questionnaire Cronbach alpha reliability value was computed in order to find the reliability of the scale. The reliability values are 0.961 for HRIS perception scale and 0.829 for HRIS satisfaction scale. The reliability values of both scales are high for researches in social sciences (Kalaycı, 2005).

Descriptive statistical analysis (arithmetic mean and standard deviation) and Pearson correlation test were used to determine the relationship between HRIS perception and HRIS satisfaction. Also, t-test and one-way ANOVA test were used to determine the differences according to demographic qualifications.

HYPOTHESIS

Based on the above discussion the following hypothesis was formulated for the purpose of our study. In this research, the relationship between the satisfaction of employees from HRIS and their perceptions of HRIS are analyzed.

1: There is a relationship between the satisfaction of employees from HRIS and their perceptions of HRIS.

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2: Employees' perceptions of HRIS show difference according to their position.

3: Satisfaction of employees from HRIS shows difference according to their position..

4: Satisfaction of employees from HRIS shows difference according to their genders.

5: Satisfaction of employees from HRIS shows difference according to their education levels.

6: Satisfaction of employees from HRIS shows difference according to their ages

RESULTS AND DISCUSSION

The following tables reveal the demographic characteristics of the respondents

Table 1 Demographic profile of participants

Variable		Frequency	percentage
Gender	Male	53	67.9
	Female	25	32.1
Qualification	Inter	9	11.5
	Degree	44	56.4
	Post-graduation	24	32.1
Age	18-25	8	10.3
	26-33	49	62.8
	34-41	13	16.7
	>42	8	10.3
Experience	<1year	20	25.6
	1-3	18	23.1
	4-6	17	21.8
	7-9	9	11.5
	>9	14	17.9
Cadre	Manager	34	43.6
	Assistant manager	36	46.2
	HR manager	6	7.7
	HR assistant	2	2.5

53 male (67,9 %)and 25 female (32,1 %).participated to the research. The educational background of the participants are; 9 people (11,5 %) have inter ,degree, 44 people (56.4%)graduate degree and 24 people (32,1 %) have post graduate degree.The age classification of participants are; 8 people (10,3 %) are between 18–25; 49 people (62,8%) are between 26–33; 13 people (16,7 %) are between 34–41 and 8 people (10,3 %) are more than the age of 42. The seniority of participants are; 20 people (25,6 %) have less than 1 year seniority; 18 people (23,1 %) have 1–3 year seniority; 17 people (21,8 %) have 4–6 year seniority; 9 people (11,5 %) have 7–9 year seniority and 14 people (17,9 %) have seniority more than 10 years. The cadre of participants are; 34 people (43,6 %) Managers and Assistant manager; 36 people (46,2 %) HR managers and 6 people (7,7 %), HR assistant. 2 (2.5%).

Table 2: Descriptive statistics on dimensions

Dimension	Mean	S.D	N
System quality	3.66	.67	78
Information quality	3.70	.68	78
Ease of use	3.71	.75	78
HRIS on total	3.72	.68	78
Satisfaction	3.60	.78	78

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These scores show that the participants gave answers to both scales as "agree". According to the arithmetic mean of the dimensions of HRIS perception scale, we see that the three dimensions of the scale are evaluated close to each other and participants perceive HRIS activities almost with the same importance. Participants emphasize the importance of HRIS and at the same time they are satisfied with the HRIS system they use.

Table 3: Correlational analysis among the dimensions

	System quality	Information quality	Ease of use	HRIS satisfaction
System quality	1			
Information quality	.789	1		
Ease of use	.770	.766	1	
HRIS satisfaction	.774	.792	.765	1

According to correlation analysis results, positive and high level relationship was found among all dimensions of HRIS and system quality, information quality and perceived ease of use.

Table 4: One way ANOVA analysis for HRIS

	SS	Df	MS	F	sig
Between	4.37	2	2.18	8.189	.007
Within	30.78	73	.422		
Total	35.15	75			

In order to determine whether employees' perceptions of HRIS show difference or not according to position variable, t test was used and statistically meaningful difference was found between these two variables. The HRIS perception of managers and specialists are statistically and significantly different from the perceptions of HR assistants

Table 5: One way ANOVA analysis for HRIS satisfaction

	SS	Df	MS	F	sig
Between	4.09	2	2.045	3,489	.036
Within	42.79	73	.586		
Total	46.88	75			

The satisfaction levels of employees working as a HR manager, or HR assistant show difference. The arithmetic means of answers were investigated in the direction of difference the HRIS satisfaction of HR managers and specialists are statistically and significantly different from the satisfaction of HR assistants.

Also, t-test and one-way ANOVA test were used to determine whether or not perception of HRIS and satisfaction from HRIS show difference according to gender, education and age variables and no statistically meaningful difference was found between these variables

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Table 6: Results for Hypothesis

Hypothesis	p-value	Result
There is a relationship between the satisfaction of employees from HRIS and their perceptions of HRIS	.000	Accepted
Employees' perceptions of HRIS show difference according to their position	.00078	Accepted
Employees' perceptions of HRIS show difference according to their position	.036	Accepted
Satisfaction of employees from HRIS shows difference according to their genders	.081	Rejected
Satisfaction of employees from HRIS shows difference	.0632	Rejected
Satisfaction of employees from HRIS shows difference	.0789	Rejected

The satisfaction from HRIS show difference according to gender, education and age variables and no statistically meaningful difference was found between these variables.

CONCLUSION

HRIS provides information and guidelines for the operation of HR functions, HRM is still a caretaker of employee records, and however, the existence of an HRIS makes this information readily available and useful for managerial decision making. The system is able to produce more effective and faster outcome than that can be done on papers. HRIS can acquire and track almost any type of data. Some of the effects of HRIS are that it has brought about an improvement in the overall HR functions of the organization not only in administration work. HRIS can be one of the powerful levels of change for the HR Department in any organization. The study shows that the system is sometimes complicated and difficult to work, but it has helped to align the HR practices with the organizational strategy, identify improvement areas, and keep abreast with the current practices. It allows an organization to assess and evaluate any gaps or potential risks and increase the commitment of HR professionals to continuous improvement. On the whole, HRIS, increases the efficiency of HR function. The results of the study reveal that HR employees perceive HRIS useful and they are satisfied with the system. It was found that both HRIS perception and HRIS satisfaction of employees show difference according to position variable. This finding may have its source from the limited access of HRIS functions depending on the positions of employees. Thus future studies should also consider the relationships between the access limitations to information content and functions of HRIS and user satisfaction.

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