

## **HUMAN RESOURCE INFORMATION SYSTEM (HRIS): IMPORTANCE AND SIGNIFICANCE IN PRESENT SCENARIO**

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### **ABSTRACT**

*An HRIS, essentially called as Human Resource Information System Or Human Resource Management System (HRMS), connects human resources and information technology together with the help of a HR software solution. Allowing software assist HR activities to process electronically. A variety of activities similar to data entry, data tracking, and data information needs of the Human Resources, payroll, management, and accounting functions within a business are being carried out by software known as Human Resource Information. HRIS aim to integrate a range of human resource divisions comprising of payroll, labor productivity, and benefit management to lessen the capital required to execute HR activities. An effective planning, control and managing HR costs; enhanced efficiency and quality in HR decision making and lastly perked up employee and managerial productivity and effectiveness are the ability of HRIS. Likewise, in majority of states HRIS show a way to increased efficiency as far as to decisions are concerned in HR. This research paper elaborates a secondary research study and enlighten about the significance of HRIS in current scenario. It also elaborates the strength and weaknesses coupled with the use of HRIS System particularly in India.*

**KEYWORDS:** HRIS, HRM, HRMS, Human Resource, Human Resource Information System.

### **Introduction**

The dynamic world in which we reside, paves way for a better technology day by day. To perform better they require mindful organizational leaders who are aware of various sort of technology which indeed develops the organizational efficiency. Human Resource Information Systems (HRIS) was first launched around 50 years ago; thereafter it has shown a tremendous growth and has developed themselves far above their primary principle of converting paper records into computerized databases. HR software is not just a data storing software but has developed itself into bursting new features and self-sufficient system. The burgeoned HRIS will smooth the path for organization to successfully heap employee data more strongly and precisely. Once, companies were constrained to record data on paper and spreadsheets but now HRIS systems has become a tool which can be used by HR Professionals constantly for various numerous functions. These days, major companies have noticed serious want for more revolutionary computerized systems, like Human Resource Information Systems. Relocating companies to HRIS has enabled them to manage more precise and up-to-date records and granting them a better future growth in their companies. HRIS always lead to escalated adaptability while making a decision in HR. An efficient decision would directly increase the productivity and eminence of both the employees and managers at the same time.

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### Definition

- According to *Hedrickson, 2003*, "HRIS can be briefly defined as integrated systems used to gather, store and analyze information regarding an organization's human resources."
- According to *Tannenbaum 1990*, "HRIS ,One which is used to acquire, store, manipulate, analyze, retrieve and distribute information about an organization's human resources."
- A general definition of HRIS - "A human resource information system (HRIS) is software containing a database that allows the entering, storage and manipulation of data regarding employees of a company. It allows for global visualization and access of important employee information."

### Review of Literature

- **Madhuchanda Mohanty and Santosh Kumar Tripathy** (2009) investigated the HRIS of NALCO in their examination. The creators display that the utilization HRIS in NALCO has enhanced the general pace and ability of HR capacities, yet at the same time needs some more improvements. The investigation likewise expresses that HRIS can't be utilized for diagnostic reason however must be improved the situation regulatory reason.
- **MD. Sadique Shaikh** (2012) examined around three models for HRIS outlining to be specific essential HRIS configuration show, HRIS hexagonal and HRIS stage's model. The creator accentuated on the payback of HRIS outlining and execution for all levels and spaces of organizations; as productive vital HR and related strategies for success and choice, to figure and to control HR process inside and outside of business association utilizing HR-databases or HR Knowledgebase's, which incorporates data identified with human asset kept up and prepared by HRIS.
- **Prof. (Dr.) Anil C. Bhavsar** (2011) has talked about different favorable circumstances, applications and significance of HRIS. The examination additionally features "the present HRIS can possibly be a venture wide choice emotionally supportive network that accomplishes both vital and operational destinations".
- **Kenneth et. al.** (2002) in his research paper has worried upon different authoritative points of interest which may incorporate representative self administration, intelligent voice reaction and so on and key favorable circumstances of HRIS which can be over the span of data assembling, handling, and sharing.
- **Dr. Shikha N. Khera, Ms. Karishma Gulati** (2012) in their exploration paper have endless supply of HRIS on Human Resource Planning and the benefits of HRIS with extraordinary reference of IT organizations.

### Research Objectives

- To study the concept of HRIS.
- To study the differentiation between traditional HRM and HRIS
- To explore the benefits of HRIS in Service Sector.
- To understand the role of HRIS in strategic activities of HR departments for organizations in service sector.
- To be familiar with the ability of the human resource management to leverage and absorb new and emerging opportunities and challenges in the business horizons.

### Research Methodology

The researcher has used exploratory research technique for directing the research as it will help in finding a better result of the research and it will also help in the description of the state of affairs, as it exists at the present. The main characteristic of this method is that the researcher has no control over the variables; he/she can only report what has happened or what is happening. The data was collected from some of the secondary sources.

### Findings of Study

#### • 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. Amid the 1945 and 1960 just manual work is improved the situation deal with all HR exercises in association, they have human capital issues, representatives resolve and formal choice and advancement strategy is prior association less concentrate on HR related exercises they was not appreciating HR fundamental capacity.

At that point mid 1960 to 1970 work force move toward becoming change into human asset association was concentrate on human asset. Human Resource was viewed as key in association. In this time HRIS was utilized generally to keep regulatory records. 1970s and 1980s, a few factors profoundly changed mentalities towards human asset data frameworks. After that from 1980 to current vast and independent venture association are using HRIS. The expanding many-sided quality of finance frameworks in this period requested greater adaptability in, and access to data framework. PCs have made HRIS accessible and reasonable for any estimated firm. HRIS has developed from straightforward record-keeping to complex systematic apparatuses to help administration basic leadership. At that point as per globalization and innovative change modernize HRIS was produced in it framework tries to blend the exercises related with human asset administration (HRM) and data innovation (IT) into one regular database using endeavor asset arranging (ERP) programming. The objective of HRIS is to blend the distinctive parts of HR, including finance, work profitability, and advantage administration into a less capital-concentrated framework than the centralized servers used to oversee exercises previously. HRIS additionally called Human Resource Management System (HRMS). Organizations, concentrated finance handling areas started to be isolated from other human asset capacities. A few associations gotten their finance obligations to outside finance agencies with more noteworthy innovative ability, and for diminished expenses. Presently numerous product use in the association as per their requirements and need.

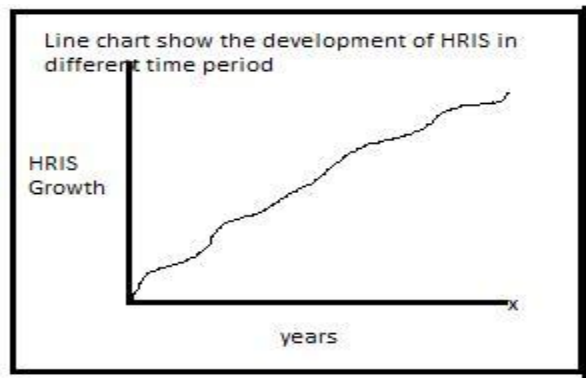


Figure 1- HRIS Development with Time Period

**Developing An HRIS: System Development Life Cycle (Sdlc)**

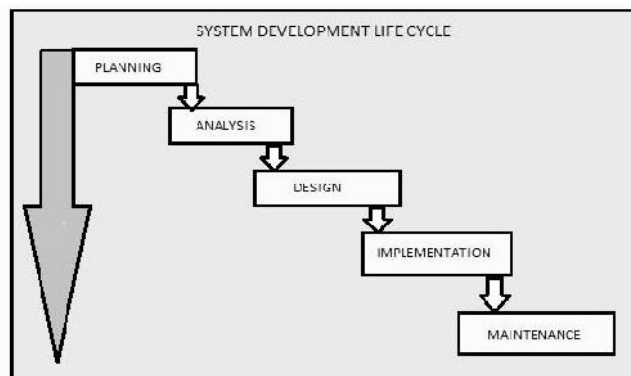


Figure 2 HRIS System Development Cycle

In every organization the person who involve for HRIS development they apply these steps and then work on HRIS.

- **Role of HRIS In Companies in Current Scenario**

HRIS facilitate a firm maximize the use of human resource and maintain competitiveness in its market. HRIS provide a backbone to large organizations together with supporting the HR functions as well. It plays a major role while performing each function of HR. HRISs make available organizations with control, forecasting, and planning tools that supersede simple computerization of HR functions. An efficient utilization of HRISs in an organization supports to organizational effectiveness in general. A set of people, forms, procedures and data utilized to store, examine, dispense and use information of human resources shape Human Resource Information System. HRIS contributes faultless information to help out individual while making a HR 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. In addition, HRIS stores information about the employees' participated trainings and learning sessions. Performance appraisal, compensation, benefits, competences and development plans are effortlessly preserved in HRIS. New career options and alertness of future training can easily be noticed by employees in HRIS. Managers can track employee's job performance and planned versus used hours for a certain assignment in HRIS. HRIS offers different reports accessible. Classic HR program include things, for example record keeping, recruiting, selection, training, employees retention and compensation.



Figure 3 Use of HRIS

This program include various activities and these HR activities can be arranged into three general classifications : transactional, traditional and transformational (Wright, Mc Mahan, snell,& Gerhart, 1998) transactional activities involve day to day transactions that have to deal mostly with record keeping- for example entering payroll information, employees status changes, and the administration of employee benefits. Traditional activities involve HR program such as planning, recruiting, selection, training, compensation and performance management. These exercises can have key an incentive for the association, if their outcomes and results are reliable with the vital objectives of the association. Transformational exercises that enhance the association for instance social or hierarchical change, auxiliary realignment, vital redirection and expanding development.

- **Some Common Human Resource Information Systems are:**

- **Performance appraisal:** This system examines worker performance at work
- **Skills inventory:** This system monitors worker abilities and matches representatives with particular occupations.
- **Benefits administration:** This system organize employee fringe benefit packages
- **Job applicant tracking:** This system keeps track of applicants for jobs with the business.

- **Summary of Findings**

- Human Resource plays an vital asset for present organizations particularly in service based organizations.

- In the present dynamic situation, it is noteworthy for any association in benefit division to deal with its Human Resources in a viable way, for which HRIS assumes an imperative part.
- Much of the service based organizations now-a-days are using HRIS for managing their different functions of HRM.
- A significant number of the associations confront numerous issues amid the execution of the framework, but it eases their work after the same.
- Very little of the organizations have effective staff to oversee such a framework thus it requires a lot of training to be given to the users.
- A great part of the organizations utilizing the framework are happy with the interface provided by Human Resource Information System software.
- Much of the HR managers using Human Resource Information System prefer using it because of its easy application and handling of information.
- Computerized Human Resource Information System helps the HR managers to reduce their work by managing as much information as they need in a very portable format.
- Much of the respondents are satisfied with HRIS in terms of processing of data in a less span of time and so making their work even better.
- Computerized Human Resource Information System helps the HR managers to have accurate information.
- Secrecy of data is a major concern for HR managers while using HRIS. With the help of such system a large amount of HR inventory can also be managed easily.

### Conclusion

The study aimed to intricate a secondary research study and inform about the importance of HRIS in current scenario. The study also detailed about the strength and weakness of linked with with the use of HRIS System particularly in India. Study revealed that Human resources information systems (HRIS) can play a significant part in a company's HR function. Ultimately, we reside, work and play in the information age. Administrating 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 fundamental wrapping up of this paper is the acknowledgment that the utilization of modernized HRIS is best then manual since its assistance to keep up information with more precision in less time. What's more, that it additionally true that HRIS capacities enhance HRM regarding managerial purposes and systematic purposes. HRIS function as a key part of the association and a decent HRIS will give imperative data about HR needs and abilities; this data will help the administration group in building up the hierarchical mission and getting objectives and destinations under way. HRIS isn't restricted to the PC equipment and programming applications that contain the specialized piece of the framework: it additionally incorporates the general population, arrangements, methodology and information required to deal with the HR work.

### Limitations of HRIS

A HRIS likewise can be a hazardous for independent companies in which a few representatives must wear many caps. A portion of the weaknesses of a HRIS include human blunder amid data input, exorbitant innovation to refresh in framework and glitches or inadequate applications to help organization's HR needs. There is an interest for PC and innovation masters with general data innovation information, and finding a qualified expert with HR useful zone learning can be troublesome. With such a request, organizations cost to contract a HRIS pro might be far over the normal compensation for a PC innovation authority.

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