HUMAN RESOURCE INFORMATION SYSTEM:
AN IMPORTANT MODERN DAY CONCEPT

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ABSTRACT

Human Resource Information System (HRIS) often referred to as the Human Resource Management System (HRMS) is simply the amalgamation of information technology with different HR functions such as recruitment and selection, training, compensation management, IR etc. HRIS makes use of computer programmes and software to collect, store, process and update data and information regarding the human resources and thereby generates results useful for better performance of the HR department. A properly implemented and updated HRIS can be utilized in all types of organizations whether large or small, private or public, profit or non-profit, manufacturing or service to help in successful 'Human Resource Management'. This paper aims to throw light on the theory and concept of HRIS and its advantages as well as barriers in implementation in the HR department.

KEYWORDS: *HRIS, HRMS, HR, IR, Human Resource Management (HRIS).*
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Introduction

With the introduction of information technology the work processes in organizations have transformed tremendously. This has also led to changes in the working of the HR department. Human Resource Information Systems (HRIS) have now evolved from simple data storage IT tools to key solutions in Human Resource Management. HRIS provides crucial data and information regarding planning, hiring, maintenance, compensation, integration and development of human resources in the enterprise. However, the performance of the HR department cannot be solely improved by setting an HRIS but largely depends on the quality, validity and reliability of database in its system. According to Tannenbaum (1990), "Human Resource Information System is an instrument which helps to collect, edit, store and distribute crucial data concerning an enterprise's employees." With the help of a suitable HRIS, the HR department of an organization can perform its operations more efficiently and effectively and utilize the saved time, energy and resources in other tasks of strategic importance thereby helping in organizational growth and development. However, the size and scope of operations in an organization must be kept in mind before the design and implementation of the system as they have a deep impact on the usage and utility of HRIS.

Objective of the Study

The main objective of the study titled "Human Resource Information System- An Important Modern Day Concept" is to improve knowledge and insight into the theory and concept of Human Resource Information System or HRIS and explain the advantages as well as the limitations of using HRIS in today's corporate organizations.

Literature Review

- **Ball (2001):** has explained that those organizations which have a large workforce keep their data and information pertaining to individuals as well as organization electronically saved. Moreover, the organizations with less than 500 employees use the core HR modules rather than non-core modules.
- **Hendrickson (2003):** explained that the Human Resource Information System can be utilized to collect, store, modify and share HR related data and information in an organization and hence it is an integrated system.

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- **Kenneth et al (2002):** suggested two main advantages of HRIS- administrative and strategic. Administrative advantages consists employee self service, interactive voice response etc whereas strategic advantages consists information collection, processing and distribution.
- **Madhuchanda Mohanty and Santosh Kumar Tripathy (2009):** evaluated the Human Resource Information System of NALCO and concluded that the use of HRIS in NALCO has improved the efficiency of HR operations but it still needs improvement for further success.
- **Dr. Shikha N. Khera, Miss Karishma Gulati (2012):** discussed the impact of Human Resource Information System (HRIS) on the Human Resource Planning (HRP) and the benefits of HRIS with reference to IT firms.
- **Albert C. Hyde and Jay M. Shafritz (1977):** explained HRIS as a system for planning and management of human resources. They also discussed different modules, uses and advantages of HRIS and its further scope in personnel management.
- **Prof. Dr. Anil Bhavsar (2011):** explained the importance and application of HRIS.
- **M. D. Sadique Shaikh (2012):** explained three different models of HRIS- Basic HRIS Design Model, HRIS Hexagonal Model and HRIS Phases Model. He gave importance to HRIS designing and implementation for all the levels of business.

Components of HRIS

The Human Resource Information System consists of three main components-Input, Maintenance and Output:

- Input function helps to store human resource data and information into the HRIS.
- Maintenance function helps to add, correct and update the already stored data in the system.
- Output function processes the stored data and provides necessary information for carrying out operations of the HR department.

Design and Implementation of Human Resource Information System (HRIS)

The steps in the designing and implementation of an HRIS are as follows:

- **Environment Analysis:** It involves defining the information needs and objectives of the organization regarding its human resources and also evaluating the system constraints affecting the design of HRIS.
- **System Design and Engineering:** It includes development and engineering of the information system keeping in mind the cost constraints as well as organizational needs and objectives analyzed in environment analysis.
- **System Implementation:** In this step the HRIS is implemented and test run to check any deficiencies or discrepancies.
- **System Evaluation:** The last step in successful system operation and functioning involves monitoring of the HRIS to check whether the system is running smoothly and making timely alterations if needed.

Advantages of HRIS in Modern Day Scenario

The advantages/benefits of HRIS implementation and usage can be summarized as follows:

- Effective human resource planning and quick decision making.
- Availability of accurate and reliable data and information.
- Faster communication at all organizational levels.
- Reduction in cost of HR operations.
- Transparency in system.
- Better change management.
- Improved employee career planning efforts.
- Increased efficiency in leadership and employee management.
- Better management of employee welfare and maintenance schemes.
- Increase in organizational goodwill and overall market image.

Limitations of HRIS

The limitations or barriers in the implementation and use of HRIS are as follows:

- High initial cost of implementation makes it unsuitable for small firms.

- Use of HRIS calls for recruitment of new specialist IT trained employees or training of present ones for proper handling of the system which requires extra funds, time and effort in selection and employee training.
- HRIS cannot fully substitute human efforts but it can only act as a support system.
- The HRIS data and information if not regularly checked and updated can become redundant and non-reliable.
- HRIS may pose security threats to crucial HR information and cause serious damages to official data.

Suggestions for Successful Implementation and Usage of HRIS

Suggestions for successful and efficient functioning of the HRIS are as follows:

- Before introduction of HRIS employees should be informed about the changes and their views regarding the system and its implementation must be taken into consideration.
- Information need analysis should be carried out in order to ascertain the information requirements of the organization and variables such as organization size, scope of operations, number of employees, cost etc must be considered before designing HRIS.
- The quality and reliability of data in the HRIS must be maintained by regularly updating the system and checking for any inconsistencies.
- The Human Resource Information System must be secured from any safety and security threats by using appropriate hardware and software for the purpose.
- Specialist employees with IT knowledge should be recruited and the present employees must be trained for successful implementation and use of HRIS.

Conclusion

Human Resource Information System (HRIS) has truly proved to be a boon for the modern day organizations, especially in today's age of ever changing technology and high market competition. HRIS is not only a store for employee information but it has helped in efficiently performing HR functions of recruitment, training, payroll management, IR, conflict management etc. However, for successful implementation of HRIS, information need analysis should to be carried out to determine the system requirements and the feedback of employees regarding the HRIS must be taken into consideration. The organizations need to check and update their system database regularly and secure it from any data threats for smooth operation. Lastly, HRIS must be developed and utilized in such a manner that it helps in carrying out HR operations with minimal wastage of time, money and human effort and proves beneficial in overall functioning of the organization.

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