THE FUNCTION AND SIGNIFICANCE OF HUMAN RESOURCE INFORMATION SYSTEMS (HRIS) FOR BUSINESS COMPETITIVENESS

Dr. Khagendra Kumar Soni, Prakash Chaturvedi

Department of Commerce, D.P. Vipra College, Bilaspur, Chhattisgarh

Abstract: The functionality of human resource (HR) functions in today's organisations has been revolutionised by human resource information systems (HRIS). HR professionals can now carry out HR tasks and provide prompt, pertinent HR services easily and effectively thanks to HRIS, which was not possible with manual information processing and sharing. HRIS is becoming increasingly important, useful, and necessary, but not all organisations have been able to exploit it to its full potential. The purpose of this paper is to shed light on this situation from three different angles: first, how HRIS has evolved over time at various organisations for managing HR; second, the HR functions that are used through HRIS; third, the enabling and impeding factors for the best use of HRIS; and finally, the challenges that are currently facing HRIS from the users' and management's perspectives.

Keywords: HR Tools, SHRM, HR Information System (HRIS), e-HRM, and HR Functions

INTRODUCTION

The necessity for information systems and technology in human resource management has increased due to the recent emergence of a hypercompetitive period. Information systems help organisations operate better and help human resource workers become more competent. The organisations widely use information systems and information technology to adapt, improve, and transform the human resource management system in the modern, fiercely competitive global business environment. The development of human resource information systems has substantially improved information requirements fulfilment as a result of the advancement of information systems and technology (HRIS). HRIS integrates information technology with traditional human resource management as a discipline, particularly with its fundamental human resource activities and processes. In the current environment, human resource professionals need accurate and fast data on hiring, choosing, training, developing, paying, productivity, quality of life, attrition rate, etc.

HRIS offers total assistance in the management of all activities, processes, data, and information needed to manage human resources in a contemporary business. It is an integrated system that is required to gather, record, store, manage, deliver, alter, and present data for human resources. It covers every area of human resource management. The purpose of the current paper is to discuss the contribution and significance of HRIS to company competitiveness. The present study additionally emphasises the necessity, elements, advantages, and capabilities of HRIS. According to Tannenbaum (1990), an HRIS is a tool used to gather, manipulate, store, analyse, retrieve, and disseminate relevant data on a company's human resources. Tannenbaum's definition is appropriate for the construction of an information system that can meet the needs of HR and the actual demand for it. The way for addressing HR as a strategic business partner in an organisation has been established by rapid changes at the operational level and a dynamic business environment. Top management thinkers concur that the 21st century's HR issues for management professionals in general and for HR professionals are not technological, but rather the ability to be human and manage humanely without which no IT tool will leverage any management practise in the long term (Drucker, Dyson, Handy, Saffo, & Senge, 1997). Despite the fact that General Electric was the first organisation to implement Human Resource Information Systems (HRIS), these systems have evolved through time in terms of both capabilities and application. HRIS would be necessary for the future HRM spectrum, according to Hyde and Shafritz's (1977) prediction. The complexity of the HR operations increases as the organization's personnel increases, which leads to an increase in the amount of HR data. Because managing HR and managing HR data go hand in hand, a comprehensive system is needed to handle an employee's whole life cycle within an organisation (Sanctis, 1986). Henson (1996) stated that, despite crediting HRIS as a significant aid in decision-making, technology cannot operate an HR practise on its own. Tools that support the execution of seamless HR operations in organisations are crucial for efficient and effective HR operations and management. HRIS is necessary for effective HR operations, according to industry experts from companies like IBM, Le Marche, Geant, NEC, A to Z Info Solutions, and Cedar LLC. Despite the positive situation, the vast majority of

studies, which have been conducted internationally mostly in western, Asian, and a few Indian countries, express that HRIS has not been given the credit it deserves.


HRMS now include:
(1) payroll;
(2) time and attendance;
(3) Evaluation of the work;
(4) Benefits administration;
(5) System for managing human resources;
(6) recruitment;
(7) Learning management;
(8) System for training;
(9) Performance History
(10) Self-service by employees
(11) Scheduling
(12) Management of absences

First, by automating and handing off many routine human resource tasks to the line management, HRIS gives human resource professionals the time they need to focus on more business-critical and strategic level tasks, like leadership development and talent management. This allows them to make a greater contribution to the strategic direction of the company. The following are some additional motivations for HRIS adoption.
* Development of human resource policies and programmes.
* Enabling decision-making in areas such leave travel reimbursement, earned leave compensation, retirement, gratuity, promotion, transfer, nomination, and setting employees' provident funds.
* Giving information to the government and other statutory organisations and submitting returns.
* Gathering pertinent data and turning it into knowledge and information to enhance the effectiveness and calibre of decision-making.
* Generating more different types of precise and timely reporting relating to human resources.
* Improve competitiveness by reengineering the functions and processes related to human resources.
* Increasing employee satisfaction by offering quicker and more precise human resource services.

Given these details, it is critical to note that the human resource management function should make an investment in information technology training and promote the advantages of staff engagement in HRIS services.

Three primary functional elements make up **HRIS.**
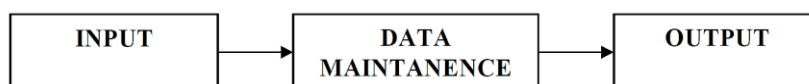
The input-input function gives users the tools they need to enter data about human resources into the HRIS. It inputs employee data into the HRIS. Procedures and protocols must first be followed in order to acquire the relevant data, which must then be entered into the system. Edit tables can be used to evaluate the suitability of the data. These tables have predetermined values that the data is automatically compared to. The system should be able to quickly alter and update the edit tables. Modern scanning technology enables the scanning and archiving of an actual image of a business document, including handwritten comments and signatures.

Updating the data that is saved in the various storage devices is the responsibility of the data maintenance function. Changes in human resource information should be put into the system as they happen. However, as new data are added, it is frequently preferable to keep the older data in the system as historical data. After data has been entered into the HRIS, it updates and adds new data to the database.

Output- This HRIS function is the most noticeable since most users are more interested in information and reports that the systems will utilise than they are in gathering, revising, and updating human resource data. HRIS processes output, does the necessary computations, and arranges the presentation to produce useful output for computer users.

A computerised system called HRIS helps handle data related to human resource management. A well-designed HRIS serves as a valuable choice and tool, meeting the organization's needs for personnel information.

ADVANTAGES OF HRIS

Employee handbooks, emergency evacuation plans, and safety protocols are just a few of the information and documents that HRIS assists in recoding and analysing for individuals and organisations. Maintaining an accurate, full, and up-to-date data base that can be retrieved from reports and manuals aids businesses as well. The benefits of HRIS can be organised.

1. Boost competition by enhancing human resource management.
2. The capacity to integrate a variety of operators into human resource.
3. Change the emphasis from operational (transactional) to strategic human resource information.
4. Make employees active participants in the HRIS.
5. Completely redesigning the human resources division.

The following benefits of HRIS can be categorised:

Benefits for management include:
1. Management advantages
2. Advantages for the human resources division
3. Employee benefits.

1. Among the advantages for management are:
* An improvement in overall decision-making effectiveness.
* Lower costs and improved budgetary management.
* A distinct corporate perspective that includes business transparency.
* Clear understanding of the recruiting and firing procedure on an overall basis.

2. The following are some advantages for the human resources department:
* Having a single database of all firm personnel that contains all relevant data and opportunities for various reports.
* The elimination of paper forms, which are slower and more likely to include errors.
* The capability to instantly update data bases based on any changes, which is crucial for regionally varied firms.
*Reduce the number of errors brought on by human error.
* An improved management system that complies with the law.
* The system's redundancy should be reduced or eliminated.
* The uniformity of company procedures.

3. Employee advantages include:
* Time savings (time management)
* The potential for independent access to data, which frequently entails working in a single programme window.
* Constant data accessibility
* Boosting employee morale.
* Computerized monitoring and remembrance of work requirements and occasions
* Giving employees the opportunity to participate in internal training programmes online and advance their knowledge and abilities.
* Encouraging employees to take initiative and make decisions based on data from the HRIS system.

HRIS also has the ability to fundamentally impact revenue channels, beyond cost reduction and productivity benefits. It may boost innovation, and speed up time to market for products. HRIS can also profoundly alter how people interact with one another and their companies through a variety of communication channels.

HRIS'S IMPORTANCE TO BUSINESS COMPETITIVENESS

In today's fast-paced, international economy, the ability to compete, or competitiveness, is more important for survival and success. It is a multifaceted idea. In today's global market economy, where commodities, services, people, talents, and ideas may travel freely across national boundaries, it has become the buzzword to define an economy's strength in relation to its rivals. HRIS in particular, as well as information management in general, has become essential to the success and competitiveness of businesses.

The benefits of having systems that record, evaluate, and report on the wide range of human resource characteristics that are essential to running a business are becoming increasingly apparent to businesses. To achieve the goals of the business, the right number of personnel with the right mix of skills must be hired, developed, used, evaluated, maintained, and retained. This is what human resource management entails. HRIS is a crucial management tool for comprehending the trends in employee behaviours, activities, and policies in addition to spotting weaknesses in existing human resource management systems. A software package called HRIS offers a full management system for human resource operations in enterprises.

MODEL HRIS

HRIS created for human resource management is essential for carrying out the strategic business goals of the company and managing daily operations proficiently and effectively to increase productivity. HRIS has been discussed as a tool that businesses employ to handle a range of problems and operations related to the management of people. On the one hand, technology can be applied to various tasks within specific human resource functions, including hiring and firing, performance evaluation, pay and benefits, training and development, health and safety, employee relations and legal matters, retaining employees, and balancing work and personal life. On the other hand, a business that employs a complex mix of HRIS solutions enables the human resource function to manage in human resources as well as employees' information flow in an integrated approach across the entirety of each individual's employment cycle, thus shifting the focus from a process-centred human resource to a customer-(employee-)centred human resource management.

HRIS IMPORTANCE

Due to its core function of merging human resource management with information technology, HRIS has attracted many human resource managers and professionals and created a competitive edge. Effective human resource decision-making, strengthening an organization's character, lowering process and administration costs, accelerating transaction processing, reducing information errors, and enhancing tracking and control of human resource actions are all important aspects of HRIS that have been reported in the literature. HRIS, or human resource information system, can be summed up as a computerised system that helps with the processing of data pertaining to human resource management and has grown to be an essential part of all businesses. It might be considered a tool created to meet the organization's informational demands on its workforce. As a result, the value of HRIS is multifaceted, encompassing everything from operational support for gathering, storing, and preparing data for reports to streamlining and accelerating processes and controlling the available data, lowering labour costs for human resource departments, and giving management of the business timely and varied information on which to base good strategic decisions about human capital.

HRIS'S CAPABILITIES

Human resource planning, staffing, training, career development, performance management, and pay management are just a few of the human resource management systems that interact with HRIS. The following categories can be used to group the functions.

1. Create and keep an employment record: As data is entered, an employee record is established, and this record is kept up to date for the duration of employment. The HRIS administrator is often in charge of establishing and maintaining these records.

2. Ensure adherence to the law: Information entered into the HRIS can be used to assist the business in accurately and promptly adhering to legal requirements. A crucial task for human resource professionals is to ensure data correctness and integrity.

3. Planning and predicting the use of human resources: Managers can use data on the number of open positions, the types of positions, employee skills and competencies, job rates, retirement eligibility, and employee turnover rates to create long-term staffing plans and to give useful information to human resource specialists.

4. Management of talent and knowledge: The information entered into the system, such as skills, competencies, jobs held, training, and employee development interests, can be used to help managers provide development opportunities for their employees, ensure that the right employees are offered positions that will enhance their

skills, provide the appropriate training for employees so they can advance in the organisation, and highlight an employee's interests in development. With the use of this knowledge, human resource professionals can offer managers more focused guidance and assistance as they build a development strategy that takes into account the needs of both the firm and the employees.

5. Aligning one's strategy: Data from the system can assist firms in better coordinating their human resource efforts with their strategic plan.

6. Making better decisions: The capacity to extract data from the HRIS and use these data not only to create information but also to enhance the calibre of management decisions has become increasingly crucial. Information must be accurate, timely, relevant, and valuable.

CONCLUSION

Many businesses are using HRIS, a blend of human resources and information technology, as a strategic tool to combat escalating commercial competition. It is clear from the discussion above that HRIS has the ability to serve as an enterprise-wide decision support system that aids in the accomplishment of both strategic and operational goals. Currently, businesses are rapidly eschewing manual human resource systems by computerising specific HR processes, implementing HRIS, and utilising intranets and the internet, it may employ its people resources to remain competitive in its market. When it comes to addressing the demands of all corporate stakeholders, HRIS may be viewed as the backbone of the business. Effectiveness, efficiency, and firm competition are all enhanced by HRIS. So, in order to be effective, HRIS needs to be guided by a strategic vision and executed as an open system where information technology enables unfettered communication amongst integrated components. As a result, an organization's vision, values, and culture must guide a complete and effective HRIS. Finally, the article has shown the strategic value of HRIS, particularly in terms of corporate competitiveness. Future research should, however, focus on what makes an HRIS installation effective.

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