

A Study on acceptance of Human Resource Information System and its strategic implementation for Decision Support System in IT Companies (with reference to Bangalore city)

Dr.J.Gajendra Naidu

Faculty of Business & Accounting, Botho university: Gaborone, Botswana: Africa

Email - profnaidugn@gmail.com

Abstract: HRIS provides an opportunity for HR to play a more strategic role, through their ability to generate metrics which can be used to support strategic decision-making (Lawler & Mohrman, 2003). 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.

Though there is an awareness of the HRIS as suggested by the earlier literature there exists a situation where the technology used for implementation of HRIS needs to be checked to ensure there is only positive impact of it in business.

Key Words: HRIS. Decision Support system, potential employees, IT Companies.

1. INTRODUCTION:

Within an organization information flows in four basic directions as upward, downward, horizontal and outward/inward. Taking into account that there is a huge amount of information flow in organizations; it will be possible to understand the importance of information systems in organizations.

The information systems field is arguably one of the fastest changing and dynamic of all the business processes because information technologies are among the most important tools for achieving business firms key objectives. Until the mid-1950s, firms managed all their information flow with paper records. During the past 60 years, more and more business information and the flow of information among key business enterprises in the environment has been computerized.

HR information systems helps and support activities such as identifying potential employees, maintaining complete records on existing employees and creating programs to develop employees talents and skills. HR Systems helps senior management to identify the manpower requirements in order to meet the organization's long term business plans and strategic goals.

Many HR (human resource) executives and managers are so busy taking care of their daily duties, which are generally administrative, that they neglect to consider important issues that are coming down the road. This is a trap that any department can fall into, but it can be especially devastating for HR, which must battle decades of preconceived notions about the department's ability to contribute to corporate planning help in decision support system.

2. PROBLEM DESIGN:

HR professionals began to see the possibility of new applications for the computer. The idea was to integrate many of the different HR functions. The result was the third generation of the computerized HRIS, a feature-rich, broad-based, and self-contained HRIS. The third generation took systems far beyond being mere data repositories and created tools with which HR professionals could do much more (Lloyd, Byars, Leslie, & Rue, 2004). It has the potential to assist the HR function in developing business strategy, and thus enhancing organization performance (Barney & Wright, 1998; Broderick & Boudreau, 1992; Gueutal, 2003; Lawler,

Levenson, & Boudreau, 2004; Lengnick-Hall & Moritz, 2003). HRIS is used to acquire, store, manipulate, analyze, retrieve, and distribute pertinent information regarding an organization's human resources (Kavanagh, Gueutal, & Tannenbaum, 1990). It provides HR professionals with the time needed to direct their attention towards more business, critical and strategic level tasks such as leadership development and talent management.

HRIS provides an opportunity for HR to play a more strategic role, through their ability to generate metrics which can be used to support strategic decision-making (Lawler & Mohrman, 2003). 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.

Though there is an awareness of the HRIS as suggested by the earlier literature there exists a situation where the technology used for implementation of HRIS needs to be checked to ensure there is only positive impact of it in business.

3. STATEMENT OF THE PROBLEM:

Under utilization of HRIS in strategic planning and decision making in public and private limited companies in Information Technology companies with reference to Bangalore city

4. OBJECTIVES:

Over the past two decades, there have been a number of studies on HRIS. These studies have focused on the type of applications that predominate in HRIS (De Sanctis, 1986; Broderick & Boudreau, 1992; Martinsons, 1994), the contexts necessary for the successful implementation of HRIS as well as the conditions that support successful HRIS, but there is very limited study on importance of HRIS in Indian organizations. The objectives are stated as:

- To study the challenges faced in implementation of HRIS in IT companies in Bangalore
- To examine and analyze the effect of acceptance of HRIS and perceived usefulness of HRIS in IT companies in Bangalore
- To study the differential effect of critical success factors on HRIS implementation in public and private limited companies in IT in Bangalore
- To study the effect of HRIS package on the decision making capabilities of managers

5. PERIOD OF THE STUDY:

This study was pertaining to the period from September 2015 to September 2016.

6. SCOPE OF THE STUDY:

I am fortunate enough to do the study in the city of Bangalore as one among the early identified city of different parameters including adaptability ,awareness, implementation, barriers and overcoming these hindrances of new method of HRIS .

In recent years, the Internet has revolutionized the way individuals in organizations access information. Because more administrative tasks are available on HR portals, HR professionals are expected to have more time to engage in strategic HR activities (Ruta, 2005). There is a broad agreement, noted by Huselid, Jackson, and Schuler (1997), that strategic HRM involves the development and implementation of policies and practices, ensuring that human capital contributes to the organization's achievement of its goals (which are aligned with its business strategy). The present study encompasses all the areas of discussion for knowing the successful and not so successful methods and technology of HRIS implementation in IT industries in Bangalore and also includes the impact of HRIS implementation on Decision Support System.

7. NEED AND IMPORTANCE OF THE STUDY:

HRIS has increasingly transformed since it was first introduced at General Electric in the 1950s. HRIS has gone from a basic process to convert manual information-keeping systems into computerized systems. Because of the complexity and data intensiveness of the HR function, it is one of the last management functions to be targeted for automation (Bussler & Davis, 2001/2002). This fact does not mean that HRIS is not important, it just indicates the difficulty of developing and implementing it compared with other business functions (e.g. billing and accounting system). Powered by information system and Internet, almost every process in the every function of HR has been computerized today.

The design, selection, and use of HRIS are contestation as a range of meanings that are attached to the technology that either undermine or highlight its perceived value and significance and which impact on the extent to which it is to be used in a strategic or more administrative fashion.

The existing literature on HRIS suggests that they have different impacts on HR across organizations, but provides little explanation for this variation. It is early suggested that HRIS were used predominantly to automate routine tasks and “to replace filing cabinets” (Martinsons , 1994).The need for proper implementation of HRIS is emphasized in the study and it also tries to highlight how effectively and successfully HRIS is being implemented in strategic decision making in organizations

8. HYPOTHESIS OF THE STUDY:

Based on the above objectives, the study has the following specific issues as hypothesis.

- There is no significant relation between Perceived Usefulness and HRIS Implementation
- There is no differential effect of Critical Success Factors in the HRIS Implementation between public and private limited companies in IT.
- There is no effect of HRIS implementation on decision making capabilities of managers

9. METHODOLOGY OF THE STUDY:

The present study is an attempt to examine the extent of acceptance of different methods of implementation of HRIS towards achievement of effective HR functions and also the challenges in implementation towards effective decision Support System.

10. DATA SOURCES:

Both primary and secondary data has been used in this study. Primary data will be collected through a semi structured questionnaire to HR executives engaged in the selected companies operating in IT industries in Bangalore. A questionnaire comprising of different aspects of HRIS is used. Besides, to prepare theoretical and other aspects of this study, the required data will be collected from frequently cited journal articles, thesis papers, company magazines

11. SELECTION OF SAMPLE:

Permission has been taken from the authorities concerned after explaining to them the purpose of the study. The criterion for participation in this study are all employees who are involved in HRIS of the company. It is a study based on questionnaire given to the top management, managers, HR executives working in the Department of HR in Bangalore, Karnataka (India). Thus there is a total of 200 respondents.

12. STATISTICAL TOOLS USED

To analyze the data the following statistical tools will be used. They are:

1. Frequency Distribution
2. Descriptive analysis
3. ANOVA
4. t- Test
5. Correlations
6. Reliability test

13. POLICY IMPLICATIONS:

This research will provide several important implications for different stakeholders of the responding companies. They include:

- Employees of the organization will be made aware about the significance of the applications of IT in HR related activities.
- HR executives will be able to ensure the effective implementation of HRIS with the help of the results found from this research
- This study will help the owners/ managers/ HR professionals to formulate different policies related with HR.
- Government and Different regulatory bodies will get directions to formulate HR policies for the employees, managers and owners of the organizations from the findings of the study.
- This research will also help the researchers to study more comprehensively about the fields of HRIS.

14. CONCLUSIONS:

With the undoubted benefits of HRIS, organizations should opt to ensure the proper utilization of this technology by knowing the challenging and interrupting issues. Findings of this research may be helpful for the HR executives about the issues that impede the effective execution of this technology in the functions of HRM. Since this research is based on small sample size, potential researchers may have options for further research expecting more significance findings on these issues.

On the whole, HRIS, increases the efficiency of HR function, has helped to contribute the potentials of HR Department towards the organization, developed the structure, payroll, time, and attendance, appraisal performance, recruiting, learning management, training system, performance record, employee self-service, scheduling, absence management, systems, styles, reduced HR cost, increased motivation of the HR personnel, analyzed the problems and solved them smoothly, provided and developed sound performance appraisal systems, systematic job analysis, and smooth adoption of the changing mind-set. A follow-up study can be done to see if more organizations have adopted HRIS, if the extent of HRIS adoption is greater or if the HRIS is used for more strategic purposes. It can be certainly said that by making the HRIS a part of the organization, the HR Department can transform itself to be a strategic business partner.

REFERENCES:

1. Intan Osman, Theresa C.F. Ho, Maria Carmen Galang, (2011) "The relationship between human resource practices and firm performance: an empirical evaluation of firms in Malaysia", Business Strategy Series, Vol. 12 Iss: 1, pp.41 – 48.
2. Youndt, M. A., A.S. Snell, J.W. Dean Jr, and P.D. Leapak. 1996.
3. Human resource management, manufacturing strategy and firm performance. Academy of Management Journal 39(4): 836–56.
4. Huselid, M.A., S.E. Jackson, and R.S. Schuller. 1997. Technical and strategic human resource management effectiveness as determinants of firm performance. Academy of Management Journal 40(1): 1.