

Assessing the Influence of Human Resource Information Systems (HRIS) on Organizational Efficiency

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ABSTRACT

With the rise of globalization and technology, corporations have increasingly implemented information systems across several departments, revolutionizing processes such as recruitment and development. Management techniques have been transformed by IT, which has presented both opportunities and difficulties. Although HRIS adoption is essential for efficient HRM operations, acceptance, and implementation present difficulties. For organizational operations to run smoothly, a supportive management environment and appropriate HRIS integration are crucial. This study examines the difficulties in putting HRIS into practice and offers strategies for its effective implementation in businesses.

Keywords: HRIS, Payroll, Human Resources, Software, HR strategy, Human Resource Information System

INTRODUCTION

Information must be treated by organizations like any other asset or resource. For the information to be of high quality, it needs to be efficiently managed, arranged, and distributed. Since information technologies are among the most crucial tools for accomplishing business enterprises' primary goals, the information systems industry is undoubtedly one of the most dynamic and rapidly evolving of all business processes.

Human resource management is a department that frequently utilizes management information systems. HR information systems facilitate tasks including finding possible hires, keeping thorough records on current staff, and developing initiatives to enhance employees' abilities. HR systems assist senior management in determining the number of employees needed to satisfy the organization's strategic objectives and vision for the future. Human resources systems are used by middle management to track and evaluate hiring, assigning, and paying staff. HR systems are used by operational management to monitor personnel hiring and placement. Personnel scheduling, staffing, compensation plans, salary predictions, pay budgets, and labor/employee relations are just a few of the HR procedures that HRIS may assist with.

OBJECTIVES

1. To assess how well HRIS automates HR procedures.
2. To explore the connection between organizational productivity and HRIS implementation
3. To identify the challenges and barriers to successful HRIS adoption.
4. To investigate how HRIS might improve communication between employees and the company

REVIEW OF LITERATURE

1. **Amer Abuhantash 2023⁽¹⁾**: The adoption of advanced technologies, such as Human Resource Information Systems (HRIS), has the potential to transform HRM practices and positively impact organizational performance. It is essential to acknowledge the potential limitations of the study, which primarily stem from the reliance on secondary data for analyzing organizational performance.
2. **M. Anupa 2021⁽²⁾**: HRMS encourages candidate following, meeting, and affirmation measure. Aside from this, the labor force organization systems can be smoothed out and it can produce different expense points of interest to the associations by smoothing out different practical activities. Human Resource Information System (HRIS) is utilized to assemble and keep up the information that depicts HR, changing information into data and afterward announcing the data to clients.
3. **Srinivasa RaoD , Sharon Jyothi Kannipamula , E. Dharma Teja 2018⁽³⁾**: Technology can vastly improve the information available to HR, allowing the department to raise the value of the organization's human capital. However, the benefits of the Human Resource information systems (HRIS), if not effectively implemented, may not be realized or may only be randomly achieved in certain areas in an organization thereby making the investment unprofitable and questionable.
4. **Papia S Nath, J.Gajendra Naidu 2015⁽⁴⁾**: It will be possible to understand the importance of information systems in organizations. During the past 60 years, more and more business information and the flow of information among key business actors in the environment has been computerized.
5. **Nikhil Aswanth Kumar, Sanjana BrijballParumasur 2013⁽⁵⁾**: Despite its delayed automation HR has managed to move from the dark and paper driven age to state-of-the-art information systems in a short period of time. As a result of the HRIS, HR staff also spends less time on administrative tasks and engage rather on strategic decisions on organizational strategy.

HRIS Processes and Working Components:

Many high-tech solutions available today are tailored to meet the specific requirements and future objectives of the organization. Let us look at the six essential processes and working components that most organizations need in some combination.

a) **Database Administration:**

The primary function of most human resource information system solutions is to provide a centralized database where all employee data can be stored and organized efficiently. The HR team (or anyone responsible for managing the portal) can effortlessly input all employee information into the system. The objective is to have easy access to all the data and relevant metrics from it at any time, regardless of the location.

b) **Allocating resources efficiently:**

Keeping track of the working hours of each employee is a labor-intensive process. In today's modern workplaces, a significant number of offices permit employees to either use biometric authentication or log in to record their own working hours, necessitating efficient management of this daily influx of data.

c) **Payroll processing:**

Payroll is a crucial aspect of human resources. By utilizing a streamlined human resource information system that enables effortless downloading or uploading of employee hours and attendance records, the process of calculating and distributing employee deposits becomes significantly more manageable.

BENEFITS OF AN HRIS:

Engaging with this type of software becomes intriguing when the company has a workforce ranging from 30 to 50 individuals. As the company grows, managing employee information in excel becomes increasingly challenging, and it becomes necessary to establish standardized procedures for tasks like approving employee time off.

a) ENHANCED RECORD-KEEPING:

An HRIS is a system that maintains records of all changes related to employees. As a result, the HRIS can be considered the sole source of accurate information about employee data.

b) COMPLIANCE:

The need for employee identification in situations of theft, fraud, or misconduct, emergency contact information, identification for tax purposes, and expiration dates for mandatory certifications. Companies can save this data in the HRIS.

c) EFFICIENCY:

Certain organizations continue to maintain extensive employee data in physical form, stored in filing cabinets or other physical storage systems. Searching for the appropriate folder and identifying the correct sheet can consume a significant amount of staff time.

DATA ANALYSIS

Evaluating the Impact of HRIS on Decision-Making and Strategic HR Management

Correlations

		efficiencyimpr ove	dataaccuracy
efficiencyimprove	Pearson Correlation	1	.226 [*]
	Sig. (2-tailed)		.023
	N	102	101
dataaccuracy	Pearson Correlation	.226 [*]	1
	Sig. (2-tailed)	.023	
	N	101	101

*. Correlation is significant at the 0.05 level (2-tailed).

Confidence Intervals

	Pearson Correlation	Sig. (2-tailed)	95% Confidence Intervals (2- tailed) ^a	
			Lower	Upper
efficiencyimprove - dataaccuracy	.226	.023	.032	.403

a. Estimation is based on Fisher's r-to-z transformation.

H₀: No significant relationship between data accuracy and efficiency improvement.

H₁: There is a significant relationship between data accuracy and efficiency improvement.

The Pearson correlation is **0.226** with a **p-value of 0.023**, indicating a **significant positive relationship**. As data accuracy improves, decision-making efficiency also increases. The 95% confidence interval (0.032 to 0.403) confirms this significance.

HRIS role in improving communication between employees and the company

Group Statistics

hrisimprovedexperiencee employee		N	Mean	Std. Deviation	Std. Error Mean
gender	Strongly agree	43	1.30	.465	.071
	strongly disagree	10	1.30	.483	.153

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means					95% Confidence Interval of the Difference	
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper
gender	Equal variances assumed	.001	.977	.014	51	.989	.002	.164	-.328	.332
	Equal variances not assumed			.014	13.160	.989	.002	.168	-.361	.366

H₀: There is no significant difference in perceptions (between "strongly agree" and "strongly disagree") regarding HRIS improving communication.

H₁: There is a significant difference in perceptions between the two groups.

The p-value is 0.989, which is much greater than 0.05. Therefore, we fail to reject the null hypothesis. This means there is no significant difference in perception between those who strongly agree and strongly disagree about HRIS improving communication between employees and the company

CONCLUSION:

The growing reliance on technology in human resource management has positioned Human Resource Information Systems (HRIS) as a cornerstone for modern organizational success. This study set out to assess the effectiveness of HRIS in automating HR processes, and the findings suggest that HRIS significantly reduces manual efforts, increases accuracy, and accelerates routine HR functions such as payroll, attendance tracking, and employee data management. Automation through HRIS enables HR professionals to redirect their focus toward more strategic initiatives.

The relationship between HRIS implementation and organizational productivity also emerged as a significant finding. Companies that effectively use HRIS report improved workflow efficiency, reduced administrative burdens, and enhanced employee satisfaction. This, in turn, leads to higher productivity and better utilization of human capital.

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