Emerging Issues andChallenges of HRIS: A Review

Manoj Kumar Behera

Assistant Professor in Commerce,
P.G.Dept. of Commerce, VikramDeb (Autonomous) College, Jeypore, Odisha. India.

Abstract

Human Resource Management is an essential function of every organization. Information technology has been introducing in the every field of human effort. Information technology has influence human resource management to a great extent. Now a day,IT hasbeen usedwidely across the organizations to perform different functions like,recruitment, training, maintenance and development etc. IT is not only used in everywhere but also creates a vital role in every field of management in an organisation. Human resource information system is one of the contributions of IT to the area of human resource management; this leads the organisation to a new trend in HRM. It is being observed that the technology brought changes in the existing working systems in the organisations and also creates the link between the two valuable assets (human resource and information technology. By the introduction of this HRIS to the organisation, it enhanced the potential of the organisation by changing the traditional way of working in theOrganisation. Its increase the organisations ability to collect, store and utilisation of data/information related to the human resource in the organisation.

Though the organisations are getting benefited by the help of this technology to a great extend but the increasing use of computers in the business leads to so many issues and challenges in front of management like ethical issues of employees and their rights. Because ofexcess use of Human resource information system in most of the organisations, the employee data are being used in a non-traditionalmanner. Though the use of HRIS can increase the efficiency level of the organization but also create conflict within the rights and interest of people in the organisation and also with the stakeholders and the societytoo. Here in this paperthe issue, challenges facing by the organisations due to HRIS have been discussed and tries to find out the probable solution for those issues and challenges.

Keywords:*HRIS,MIS,recruitment, personnel data, ethical issues etc.*

I.   INTRODUCTION

In last decades the organisations are start using of technology in various functions and in various departments due to effect of globalisation and competitive environment. Human resources management is one of the departments that mostly use the technology called as management information systems and human resource information system. Generally HRIS helps in many activities like identification of potential employees, keeping all the data/information of existing employees, helps in preparing the effective training program for employees development .it also helps top level managers to do human resource planning for the organisation in order to meet the organisations objective/goals. Middle level management uses HRIS to monitor the recruitment process, job allocation and fixation of compensation of employees. Where-as the operational managers uses this HRIS for tracking the employees' placement and the recruitment etc. HRIS also helps in various HR practices in the organisation like planning, staffing, budgeting, forecasting of employees salary, compensation programs etc.

Human resource managers are always dealing with the heavy task like recruitment, training and development programs, doing performance appraisal of employees and keeping all the necessary records of the employees for the future need and for this they have to work harder to manage all these activity effectively and efficiently. Nowtechnologies help human resource managers to do all the activities with ease and effective. And also helps to gather and maintain huge amount of data related to all employees. Dawes finds out that today's managers required a different skills and level of technical sophistication to not only to recording the data but also how to use those effectively. HRIS is a database of personal information about every employee.HRIS is a type of information system which deals with the data and information of all employees in an organisation .it helps to gather, store, process of the employee's data like employee's performance, salary, age, skills etc.basically HRIS is based on a database which enable these functions very effective. This has been used in human resource planning, recruitment process, fixation of salary to the employees in the organisations. It also provides the essential information or reports to the different stake holder of the organisation like shareholders, government for their respective requirement.

Apart from this above mentioned function , the HRIS is also helps in other non-personal-management activities like organisational restructuring, enhancement of productivity, strategy formulation and its implementation, enhancement of quality and also merger & acquisition decisions.(walker &Moorhead,1987).for this activities the data or information requirements are differ from the personnel management function. So HRIS deal with different databases to store these different types of data for which the different computers and sources are need to be linked and share the data between each other, this leads to some ethical issues. Because of this interrelated databases with interconnected computers access by more number of people for their own purpose and also lead to need for data security. Therefore HR managers should be aware of the ethical and social issues with the using of those data in HRIS.

II.   OBJECTIVES OF THE STUDY

1) To recognise the issues and challenges of human resource information system that the organisations are facing.
2) To find out the probable solutions by the help of which HR manager can able to overcome these challenges.

III.   METHODOLOGY

The study is based on secondary data and it has been collected through various sources like journals, books and websites.

IV.   ISSUES AND CHALLENGES

A.   Issues

1) Ethical Issues

According to the some researchers like Kurt Decker states that, the employers should take the responsibility to protecttheemployee'srights, privacy issues are developed in 1990s.as there are no specific regulation or law has been formed to protect the privacy issues of employees in the organisation. Some researcher concludes that, the employees leave their constitutional rights at the organisational door.(Webster,1994)

2) Relational databases:-

The basic purpose of using HRIS is to provide the right information at the right time to the right person. As the HRIS is being used by different levels of people in the organisations, it uses the relational database to store the data which has a key element on the basis of which the data can be retrieved from the different interrelated database by different people. As a result any kind of security arrangement to protect the stored data is worthless.

3) Data access

As HRIS is being used by all the levels of people in the organisation like corporate executives, line mangers, recruitment directors etc.and they also can access those information which are private data for the HR department only like employees address, contact number, salary, medical data etc. even in some companies it has been allowed to every employees to change or modify the data stored in the database to update their information, however this type of information should not be available to all because it contains private lives information of all employees and these are not being protected effectively in those organisations.

4) Privacy Issues

Most of the privacy issues are found out related to what information of employees should be stored in the system, who can access those data or software and who can have the authority to change or modify the data in the database.
Some steps the companies should take to secure an HRIS

- ➢ Training need to give to all how to use and handle the data, information in surely manner.
- ➢ Train the employees to switch off the computers after the use.
- ➢ Tell the employees not to disclose their passwords to others.
- ➢ Guide the employees how to change their passwords and suggests them to change their passwords frequently.
- ➢ Suggest them always run any software through a virus-detection program.
- ➢ Train the employees to take backup files
- ➢ Ensure that all files, software are used only by authorised users.
- ➢ Using of edit controls to limit employees access to data.

5) Data Transfer Issues

Generally the barriers in data transfer happen in two ways like technological and political. Technological barrier means the physical inability of transfer the data e.g. in underdeveloped countries may not have reliable telecommunication facilities to support the modern way of data transfer like through electronic or satellite transmission, because of this it is difficult to transfer the data electronically rather by hardcopy report. At this point the computerised HRIS is facing difficulties. Political barrier includes the regulation and statutes created by the government regarding data transfer across the boundaries.

6) Data Integrity and Data Security Issues

Global HRIS is different from the domestic HRIS in terms of the data security and integrity issues. In global HRIS the standards and the

procedures are different from the domestic HRIS. So it is highly essential that the organisation should ensure that the data integrity and accuracy standards and procedures are matching with the global HRIS. All transmission channels and networks should be checked regularly to ensure that unauthorised access in not occurring. The organisations need to set the corporate standard for regular checking or changing the data field like employee ID.

B. The challenges

The following challenges are faced by the organisation regarding HRIS.

1) Selection of the Right Vendor

For an organisation it is very important to choose the right vendor for implementing the HRIS as all software vendors are not the best HR solution providers. Usually to operate those systems for specific skills are required for which the vendors may charge extra cost. In case for updating the existing system also the vendor may charge extra cost. So it's important to choose a customer oriented vendor, who will always cooperate to cost and quality product.

2) Responsibility

There is a common wrong conception about HRIS that, this will HR manger such a way that, he will be relieved form his responsibilities and it can help to HR manager to do the transactional tasks up to some extent. But with new system, it creates new responsibilities for the HR manager like he has to ensure that whether the new system implemented properly or not, train the employees to operate this effectively and responsibilities of cooperating with the vendor etc. successful operation of any system depends of the HR managers.

3) Resistance to Change

Employees are always emotional attached to the existing system. They try to enjoy the inadequacy in the processes of manual system. Therefore they always resist changing, especially when they have to learn a new skill. This resistance leads to decrease in enthusiasm and cooperation of employees in implementing the systems. This responsibility for bring change lies with the client but some cases vendors offers some supplements to their services.

4) Training Requirements

As the HRIS system is being introduced in the organisation for the first time, it demands some level of skills from the employees to operate this and because of lack of skills the employees may feel anxiety and may show discomfort to use the system. This leads to decrease in production or service and increase the dissatisfaction among the employees. So it is highly essentials in part HR mangers to provide the necessary training to the user. A good vendor can help HR manager to solve this issue by providing the

training to some of the key personnel and also provides the online help to the employees to learn the system.

5) Configuration and Data Transformation

Configuration of software according to the need of the organisation and transform the existing data /information into HRIS is another issue of HRIS. Because the existing data are available in hardcopy manner or in excel files .this problem can be solved by the vendor itself by obtain the data as per the required format from the client.

6) Work Flow Changes

Generally when an organisation implement HRIS software, it affect the existing work flow of the organisation, because the new system brings some new HR practices and workflows, that are globally accepted. And the employees may not feel comfort to use or work in a new system for the first time. This kind of issues needs to be handled very carefully because it has an emotional impact on the employees. The employees having negative impact should be given much time to adjust with the new system.

7) Technical Limitation

Every technology has its own limitation so organisations should not depend completely on any technology or software to control every activity to HR. Software cannot replace a skilled employee ever.

V. RECOMMENDATIONS AND SUGGESTIONS

The above mentioned issues and challenges are crucial. Therefore theyshouldconsider very carefully while operate with HRIS in an organisation. To solve those issues and challenges these steps need to be considered.

A. Motivation

HR manger should motivate the employee towards the use of HRIS in the organisation. He should motivate the employees towards the growth and development of the organisation by providing not only financial motivation but also other motivational factors to be provided to the employees.

B. Adaptability

HR should create such environment to adapt itself to the changing environment and technology .they should opt for requisite technological supportability of equipments and resources.

C. Flexibility

HR should adopt such technologies that can be flexible in nature as required by the changing nature of the economy and existing policies of the organisation.

D. *Technical Training*

Any kinds of change require the proper training for the employees to accept the change effectively. The HR should focus on what kind of training need to be provide to the employees to operate the HR software effectively and keep the employees updated to all technical changes.

E. *Communication*

To operate the HRIS or any other software effectively the communication should be there with the employees regarding the impact of the new systems so that the process of working in the new system will be smooth.

VI. LIMITATIONS OF THE STUDY:-

The limitations are as follows:

- ➢ The study is restricted to the secondary data only it can be done by some empirical study in any organisation.
- ➢ As the scope of HRIS is vast and here in this paper all areas could not be discussed due to time factor.

VII. CONCLUSION

The HRIS implementation and operation process are handled in an effective manner then it leads to the growth and development of the organisation in the long run. The HRIS provides real time information to the mangers to help them to lead an effective management of employees. An effective HR activity helps to do the work with speed, accurately with less paperwork and also cost effectively. And this can only happen when the HR managers able to solve the issues related to implementation and operation of HRIS and can face the challenges effectively. This paper tries to show the possible issues and challenges regarding HRIS in an organisation this shows the path to further research on these issues in empirical study in different organisation to find out the effect of each issue of HRIS.

REFERENCES

[1] B.A Hartstein, (1992), "Rules of the Road in Dealing with Personnel Records", Employee Relations, vol-14,673-691.
[2] B. Leonard, (1991), "Open and Shut HRIS" ,Personnel Journal , vol- 70, 59-62
[3] C.M.Cooney, (1991), "Who's Watching the Workplace?" ,Security Management, vol-35,26-35.
[4] C.Richards-Carpenter, (1993), "Keeping a System Sage and Secure", Personnel Management, 21-22.
[5] G. Stephen Taylor and S. Barbara. A, (1990), "Ethical Implications of Human Resource Information System", Employee Responsibilities and Rights Journal.
[6] H.Joan.C, F.Karen A and T.DephyneS ,(1998), Human Resource Information System; An Overview of Current Ethical and Legal Issues", Journal of Business Ethics.
[7] J.Pasqualetto (1994), "Personnel Computing: Staffing, Privacy and Security Measures" ,Personnel Journal, 15-16.
[8] L.E.Adams, (1992),"Securing Your HRIS in a Microcomputer Environment", HR Magazine.
[9] L.Gresing, (1992), "Computers Revolutionize Human Resources Industry" ,HR magazine, vol 37, 56-61.
[10] O.Brien James , (2004), " Managing Information Technology in the Business Enterprise" ,Tata Mcgraw-Hill Pub Co. Ltd
[11] R.A.Zawacki (1993), ' Key Issues in Human Resource Management", Information Systems Management.
[12] S.S.Dawes, (1994), "Human Resource Implications of Information Technology in State Government", Public Personnel Management, vol-23,31-46.
[13] T,Davenport, (1994), "Saving ITs Soul : Human Centred IS Management" , Harvard Business Review, 119-31.
[14] T.R.De George, (1986), " Business Ethics(2nd edition)" , Published by Macniilan New York.
[15] T.G.Stephen, D.J.Stephen, (1989), "Individual Privacy &Computer Based Human Resource Information System", Journal of Business Ethics.