

## INFORMATION TECHNOLOGY A TOOL OF MANAGING HR

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### Abstract

Information technology tools are not only time and cost saving but they are also helpful in retaining employees. All these small factors create a good image of the company in employee's mind who are not friends and relatives of the company but they feel connected to it. It is the magic of IT that managers are successful to motivate their subordinates and subordinates in return attract customers. Use of information systems for employee relationship management can be excessively seen in insurance sector. Companies are keen interested to understand the details of their employees and to know about latest developments in their personal life in order to provide best bargains to these internal customers. In this paper, we tried to explain the relationship between the information system and human resource management with new human resource information system. The main object of this paper is to explain the role of information technology in managing human resources in present corporate business world. It includes use of software's, applicant tracking system, learning portals, input transaction documents and other information technology devices which are widely used in corporate world.

*Keywords: E-HR, scorecard, ATS, metrics, HRIS, portals.*

### Introduction

Information technology tools are not only time and cost saving but they are also helpful in retaining employees. All these small factors create a good image of the company in employee's mind who are not friends and relatives of the company but they feel connected to it. It is the magic of IT that managers are successful to motivate their subordinates and subordinates in return attract customers. Use of information systems for employee relationship management can be excessively seen in insurance sector. Companies are keen interested to understand the details of their employees and to know about latest developments in their personal life in order to provide best bargains to these internal customers.

Without employees products and services cannot be sold and there would no way to estimate about customers interest and to fulfil their needs. This case is just like the case of marketing professional and his customers. HR departments are now using internet and intranet

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to empower managers and employees to perform administrative tasks. Employee self service is a major part of e-HR equation. It enables managers to concentrate more on strategic decisions. Since employee talent is a key ingredient for a successful business performance and management is suffered from the threat of losing key talent. Therefore, HR leadership being changed from organization focused to employee focused. Information systems are playing vital role in making employee centred strategies which are different from traditional strategies. Employees are able to handle various problems through telephone, internet. They can access important company information to establish two way communications with the higher management.

#### **Software Systems for Managing Scorecard**

To design and manage an HR scorecard containing a number of metrics is challenging, and possible futile. A company is not in effective position to monitor all the metrics on an ongoing basis without using score card software systems. In absence of these systems what is the use of these interrelated matrices such as number of training hours per employee per year, employee discipline, etc. To improve the effectiveness of scorecard programs, most of the companies are using special software systems. This software system supports companies balanced scorecard programs. The balance scorecard programme is a computerised tool which tracks a number of performance measures simultaneously and presents their interactions across the company. The HR scorecard is major element of the company's overall balanced scorecard. The balanced scorecard addresses HR related and non-HR related activities metrics such as in production, finance, and marketing. Balanced scorecard software assists management in creating and managing its scoreboard system.

#### **Use of Internet for Writing Job Descriptions**

Most of the employees are turning to use internet for writing their job description because of the various drawbacks of manual system. The process of writing job description on internet is very easy. Search by alphabetical title, keyword category or organization to find the wanted job title. It will lead you to generic job description for that title. New invention O\*Net (Occupational information network) allows users to see salient characteristics of occupations, education, experience and knowledge necessary for the desired job. It also provides skills such as writing skills, reading skills, process skills and transferable skills. An O\*Net listing also provides information on worker requirements, occupation requirements and experience requirements. We can also check the jobs labour market features on O\*Net.

#### **Applicant Tracking System and Applicant Screening**

Today's applicant tracking systems can do more than compile incoming web-based resumes and track applicants during the employees hiring process. The system has been proved to be very supportive for the managers and interviewers in the hiring process by streamlining the sharing of applicant information during the interviewing process. Most of the companies are using their ATS to knock out applicants who do not possess minimum, non-negotiable job requirements. Second ATS can be used to test and screen applicants on line including web-based skills testing, cognitive skills testing and psychological testing also. The AT system features the position desired, education, skills, applicant status and so on. It can be also used to select applicants from the database by multiple criteria such as education, job experience, technical skills, etc. The AT system not only screen out candidates but also discover hidden talents. Applicants now can send their resumes out across a wide range of job openings.

#### **Minimum Functionality Requirements for ATS**

- The ATS should be designed in a way that a new user can also easily use it.
- It should facilitate equal employment opportunity metrics reporting.
- It should enable the employer to capture, track and report applicant EEO data.

- It should be integrated with the company's existing HRIS platform in order that data on a newly hired candidate can flow seamlessly into the HRIS payroll system.
- It should facilitate scheduling and tracking of interviews e-mail communications and completed forms.
- It should be designed in a way that it can give automated screening and ranking of candidates based upon job skill profiles.
- It should provide for requisition creation and signoff approvals.
- It should be so that it can cross-post jobs to commercial job boards.
- It should be integrated to the payroll modules.

#### **Learning Portals for Human Resource**

Companies are in search of new investments in their intranets and figuring out how can they be used to assist employees. For this employee portals are being used. An employee portal is a single point of access to all the information. It helps to reduce costs by replacing the distribution and processing of paper documents with online process. It enhances competitiveness as it makes all employees ensured that they can receive critical news and corporate announcements for their decisions. They can see whether they are moving to their goals or not.

Many organizations use business portals for various purposes. Through this system employees can access all the corporate applications they need and they can see required industry data and competitive data through learning portals employees can learn at their own pace. Learning portals grade employees work, track his course and reminds him what courses are scheduled when. With the help of these portals companies can easily combine training with the firm's already available online.

#### **Career Planning and HRIS**

Career planning should also be integrated into the employer's HRIS. It enables management to watch their employee's career interests, progress, and appraisal results in order to expedite the company's succession planning process.

This is the reason that most of the companies tend to integrate their career planning and development systems with their firms, succession planning, performance appraisal and training and development systems. For this companies use employee portals and business portals that let employee see their full fledged training history, development programmes, and career planning, simultaneously managers can know training needs for a particular group, or see all the employees who have a specific qualification. Career tracker assists organizations optimize workforce productivity by providing an easily accessible platform for ongoing.

#### **Compensation and HRIS**

HRIS can also be used for compensation activities. All organizations whether large or small in size need to do compensation planning which is a complex and complicated process. Compensation planning ensures that an employee will get for what he has done. Today salary issues are not only related to manager's will but various factors such as geographic considerations, trade unions, and market fluctuations affect compensation. Making raise decisions has always been a challenging and cumbersome task. In the late 1990s organizations moved toward mainframe or client server based applications to facilitate compensation planning process. This needed a custom designed compensation planning software for each customer. Today, companies have adopted intranet based compensation planning programs. It provides following advantages.

- Company can quickly update its compensation programs.
- It provides cost reducing advantages.
- Use of centralised application saves money in various ways.

### Employee Incentive Management Systems

To manage incentive programmes has always been a difficult and costlier task. Labour intensive plans proved ineffective for doing so. Therefore various companies are moving towards employee incentive management (EIM) systems. Though it can cost much but once it is installed, it will provide many benefits which will pay the cost for incentive management system in the first or two year. It is estimated that market for EIM systems has grown from about \$ 200,000 in 2003, to \$3 billion by 2006. EMI system automates the planning, modeling, calculation and management of incentive plans.

**Benefit Management System**—To administrate benefits is an enormously labour intensive and time consuming activity for HR managers. It needs thousands of HR professional's hours to transactions. This needs an intranet based self service benefits management system. This system facilitates web based employee benefit enrolment, provides centralized call centre support for benefit related questions. Investment in such systems has increased to a great extent.

### Input Transaction Documents

Following documents are used as input transaction documents for the human resource department:

- Personnel application form
- Complete bio data
- Job appointment letter
- Attendance and departure record
- Appraisal document
- Wage/salary agreement
- Complaints/grievances records
- Accidents and lost records
- Production data on the jobs
- Organizational data on salary/wage structure
- Organizational data on human resources, skills, qualifications, etc.
- Manpower application records in terms of automation, mechanisation and computerization.

### Entities of Human Resource Information System

The entities which are accounted in HRM are as follows:

Accounting	Analysis	Query	Control
▪ Attendance	▪ Attendance analysis	▪ Query about individual	▪ Control over absenteeism
▪ Departure	▪ Leave analysis	▪ Strength of department and unit	▪ Assessment of accidents and control over the factors causing
▪ Manpower	▪ Analysis of trend in the leave record	▪ Employees records	▪ Estimation of personnel cost against manpower increase
▪ Accidents	▪ Analysis of accidents and injuries	▪ Query about salary/wages	▪ Establishment of safety measures for employees
▪ Family data	▪ Analysis of salary/wages structure	▪ Query about employee skill	▪ Estimation of manpower needs

▪ Loans and deductions	▪ Overtime analysis	▪ Attendance, departure queries	▪ Recruitment, training and development programmes
▪ Salary, statutory deductions	▪ Loans and deductions analysis and types there of	▪ Absenteeism query	Projection of personnel cost versus industry cost
▪ Production data.	▪ Production data analysis	▪ Designations and numbers of persons	
▪ Skills and qualifications			
▪ Bio data			

### Categories of Reports used in HRM

The reports used by the personnel department and the top management are categorized as follows:

- Statutory Reports
- Operation Reports
- Information Reports
- Decision Analysis Report
- Action Reports

#### 1. Statutory Reports – These reports are used in each organization. These are:

- Attendance Record
- Records of employees categories – permanent, part-timers, trainees and apprentices.
- Accident reports and injury reports.
- ESI, provident fund, ledgers and returns.
- Income Tax form.

These reports are to be submitted to the ESI department, provident fund authorities, income-tax department, Health departments and labour departments.

#### 2. Operation Reports

- Daily attendance to assign the work.
- Reports about overtime versus completed work.
- Estimated absenteeism and assignment of work load.
- Cost of personnel by jobs.
- Injured or ill person reports.

#### 3. Information Records

- Daily attendance and departure reports.
- Appointing and transfers of employees.
- Employee skills, qualifications and strength.
- Statements showing personnel salary/wages and overtime.
- Statements showing personnel cost by department, product and job.

#### 4. Decision Analysis Reports

- Analysis of employee's attendance and departure.
- Analysis of absenteeism and scheduling of the jobs.
- Analysis of accidents and measures undertaken to eliminate these accidents.
- Analysis of personnel cost by department, product and job.
- Analysis of overtime cost.

## 5. Action Reports

- Recruitment of personnel as the job demands.
- Subcontracting of jobs when necessary.
- Acceptance of orders.
- Training and development programmes for employees.
- Reorganization of employees to control personnel costs.

## Conclusion

On the basis of the above, it can be concluded that human resource management plays an important role in arranging data and policy-making. It is necessary tool of management by which several policies can be formed and variety of new plans can be developed for the benefit of human resource as well as to the development of a business organisation. It is, therefore, suggested that every business organisation must maintain a good human resource information system for the growth and development.

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