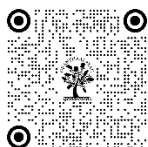# SELECTION AND BENEFITS OF HUMAN RESOURCE INFORMATION SYSTEM (HRIS)

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ABSTRACT

Human Resources Information System (HRIS) is essential for companies to manage their benefits plans and their employee information. Companies must use the Human Resources Information System (HRIS) to handle their employee data and benefit schemes. Benefits management technology is becoming a "need to have," not a "nice to have," as HR must handle a deluge of data and the cost of benefits plans while working with constrained resources [6]. The recruitment, evaluation, development, retention, and use of human resources to meet organizational and personal goals is known as human resources management, or HRM. The integration of Information Systems (IS) with Human Resources Management (HRM) is known as HRIS. HRISs provide HR professionals with the technological tools they need to carry out HR tasks more methodically and effectively.

It is the system that gathers, stores, manipulates, examines, retrieves, and disseminates relevant data about the human resources of an organization [7]. Over the past 20 years, there has been an exponential increase in the number of computer-based information systems in both public and private sector businesses. A new sector of the computer products and services business has emerged to supply the tools required to build computer-based information systems. Even though a sizable workforce is engaged in the design and operation of information systems, a much larger number of people use or are "consumers" of information systems [1]. There are some cutting-edge technology solutions that are available for HR departments, right from quantitative representation of employee data to the current trend of building behavior models that can be used as predictive tools. "Commercial applications are available in the markets that help capture information and build models [8]. In this article researcher has explained the numerous benefits of HRIS and outline key features to look for when choosing such a system.

Keywords: HRM, MIS, HRIS, Information System, IT Solution, HR Professionals

1. INTRODUCTION

The term "Human Resource Information System" (HRIS) refers to the system used to gather, document, categorize, present, process, store, and distribute different types of information that is necessary for an organization's efficient and successful management of its human resources. The human resource departments of numerous companies are using computer-based human resource information systems more and more to manage complicated, expensive, and diversified human resource data.

An organization can manage its HR systems and procedures by using an HRIS, a kind of human resources software. It offers a centralized platform for all HR-related tasks to be implemented, managed, and tracked. These tools support the HR department's efforts to track candidate progress, keep tabs on hiring practices, and handle payroll. Generally speaking, HRIS software has a lot to offer, including cost-effective administration, effective hiring, positive employee relations, and smooth onboarding. It is advantageous since it simplifies and enhances the organization's management of employee data.

Large organizations gain from the HRIS, even though it may be used by organizations of all sizes. When an HRIS is available as an open-source application, HR specialists can tailor its features to the particular protocols of their organization. An organization might create an HRIS function to automate and manage payroll for each employee when it deploys a new payroll system. A software program called the Human Resource Information System (HRIS) gives small- to medium-sized enterprises a comprehensive management system for their HR operations. They keep track of all employee data, both personal and work-related, help manage employee benefits, minimize the need for paperwork and manual recordkeeping, and streamline administrative processes.

Organizations can use the Human Resources Information System to track accident statistics, implement corporate strategies to improve overall health and safety, schedule training for recertification, safety, and revised work procedures, set measurable benchmarks to attract, train, and retain the best employees, and provide incentives to motivate and improve employee performance. Although the database allows for easy access to the complete work history, each employee can only examine their personal data through a structured human resource information system.

Benefits administration for both HR staff and corporate workers can be handled via HRIS. HR directors can import data from both internal and external sources, including payroll and benefits, into HRIS. This enables them to oversee all aspect of HR from one place. Additionally, it gives staff members self-service access to their accounts. Without contacting HR personnel beforehand, employees can check vacation balances, review benefits data, and change personal information using a secure system that requires a log-in ID and password for each user. Over the past 20 years, there has been an exponential increase in the number of computer-based information systems in both public and private sector businesses. A new sector of the computer products and services business has emerged to supply the tools required to build computer-based information systems. Many more people are involved as users, or "consumers," of information systems than are employed in the design and operation of these systems. Users come from a wide range of professional backgrounds, from manufacturing workers to company executives. Utilizing an information system involves operating a terminal or performing comparable tasks, receiving reports, and submitting input for systems. Understanding computer-based information systems is essential for educated people in today's complicated world, especially for professional managers [5].

The information system of an organization must offer the numerous kinds of data that managers at different organizational hierarchy levels with varying degrees of operational responsibilities, operational control, management control, and strategic planning require [9].

Human Resources Management (HRM) is the attraction, selection, retention, development, and utilization of human resource in order to achieve both individual and organizational objectives. Human Resources Information Systems (HRIS) is an integration of HRM and Information Systems (IS). It helps HR managers perform HR functions in a more effective and systematic way using technology. It is used to acquire, store, manipulate, analyze, retrieve, and distribute pertinent information regarding an organization's human resources [7].

2. OBJECTIVES

1) Recognize the vital role that HRIS plays in the HR planning process
2) To comprehend HRIS features
3) To understand role and benefits of HRIS
4) To understand how selection and design criteria that allows to evaluate various HRISs as to their degree of fit with specific organizational configuration.
5)

3. INFORMATION SYSTEM

Information can be defined as a tangible or intangible entity which serves to reduce uncertainty about some future state or event. An information system is a set of organized procedures which when executed, provides information to support decision-making
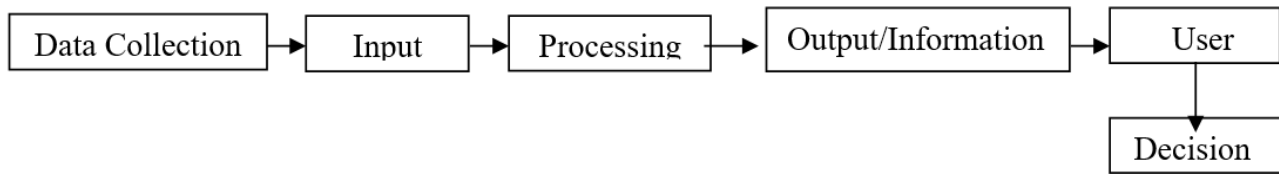
Figure1 A Model Information System.

A schematic representation of an information system is diagrammed in Fig. 1. The information is not just raw data. Rather, data are processed in some way, for example, collected and summarized to produce output which is interpreted as information by the user decision-maker [1].

3.1 Management Information Systems

Management requires to compile information relating to a problem or issue in right time in order to make effective decisions. The proper collection, handling and providing the right information to the right manager in right time not only reduce the risk of wrong decisions but also works as an effective controlling technique.

Management Information System (MIS) is defined as, "a formal method of making available to management accurate and timely information necessary to facilitate the decision – making process and enable the organization's planning, control and operational functions to be carried out effectively." "The system provides information on the past, present and projected future and on relevant events inside and outside the organization" [2].

3.2 The Organization as an Information Processing Entity

Every organization needs to acquire, analyze and process information, weather it manufactures a product or sells a service and take action based on their interpretation of information. Most businesses need to have information on markets, sales and competition on manufacturing process itself. Government agencies are also confronted with substantial information processing requirements.

The organizations collect data from a number of internal and external sources. Most organizations also attempt to gather data on their competition and on other phenomena external to the organization, such as the economy from various sources including government agencies and these data are classified as externally derived.

The organizations must process all these data and the output may take many forms, such as tabular reports or graphic displays. It is likely that output is interpreted and action is taken on the basis of information. For example, a bank might offer a new service based on the information derived from its market research study.

The Organization as an information processing entity is diagrammed in Fig. 2
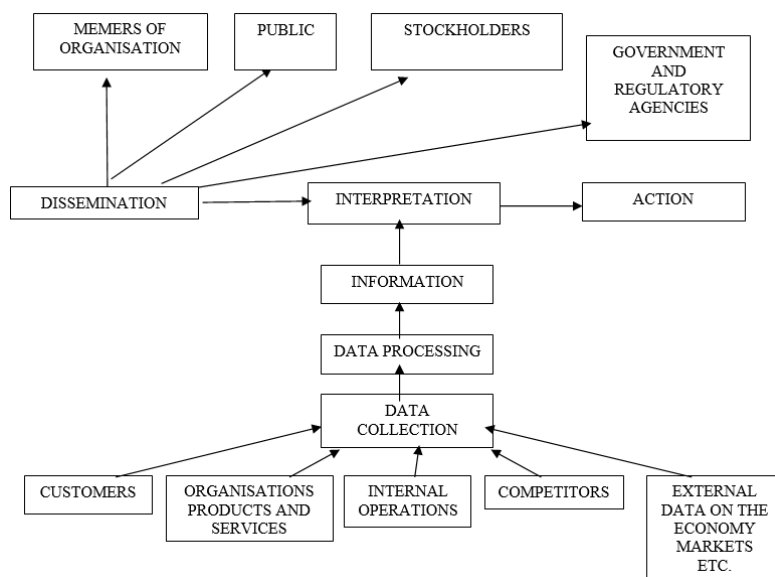
Figure 2 The Organization as an Information Processing Entity.

Though processing information clearly is not the ultimate goal of most organization, it is one vital component of their operations. Individuals who are or will become the members of organization need to understand the importance of information. In a modern organization, the processing of information contributes significantly to the success of the enterprise and managers should be knowledgeable about information processing tools, techniques and concepts.

Decision- making, including the process leading up to the decision, can be termed as planning, and management can be defined as the planning and control of the physical and human resources of the company in order to achieve the objectives of the company. Referring back to the MIS definition, we can simplify it by saying that "MIS is a system that aids management in performing its jobs" [5]. HRIS is the composite of databases, computer applications, and hardware and software necessary to collect, record, store, manage, deliver, manipulate, and present data for human resources. It is important to note that the term "systems" does not just refer to hardware and software. Systems also include the people, policies, procedures, and data required to manage the HR function. In reality, computer technology is not the key to being successful at managing human resource information, but what it does do well is provide a powerful tool for "operationalizing" the information—making it easier to obtain and disseminate and ensuring that it is specific to the organization's HR policies and practices. A sound HRIS must allow for the assimilation and integration of HR policies and procedures with an organization's computer hardware and its software applications.

4. HUMAN RESOURCE INFORMATION SYSTEM (HRIS)

Human Resource Information system [HRIS] is an integrated database system that is essential to permit high quality, informed HR planning decisions to be made [6]. It helps HR managers perform HR functions in a more effective and systematic way using technology. Human resource manager needs to consider information and data relating to all areas of HRM made available through HR information system for planning, controlling, decision- making and preparing reports.

The human resource information systems manager must clearly understand the record-keeping and reporting requirements before designing the system. Though the requirements of each employer vary some common reports can be prepared. They are:

1) **Personal Profile:** Name, sex, community, age, marital status, address, phone number, services dates etc.
2) **Career Profile:** Performance appraisal, job title changes, job classification changes, salary changes, promotions, transfers, career paths.
3) **Skill Profile:** Education, training, certificates, license, degrees, skills, hobbies, requested training, interests.
4) **Benefits Profile:** Insurance coverage, disability, provisions, pension, profit sharing, vacation, holidays, sick leave [1].

5. BENEFITS OF HRIS

Enhances the working environment for employees

Because HRIS enhances manager-employee interactions and communication, it increases organizational transparency. Employees are aware that management are keeping tabs on their work when they know the HRIS tracks their performance. It gives them a stronger sense of direction and inspires them to succeed. The smooth onboarding process and other staff processes made possible by such a technology improve employee satisfaction and experience.

Guarantees adherence to regulations

Every organization must abide by all federal, state, and local labor rules and regulations. An effective HRIS helps the HR department and guarantees that the business complies with labor regulations to avoid paying fines. Employees are informed of any new rules and regulations by the HR department through the HRIS whenever there is a change in labor law. For employees to access at their convenience, HR specialists upload all the data into a single system.

Reduces HR costs

It may be very expensive, depending on the HR department's responsibilities. The HR department may have additional expenses for development, training, and recruitment in addition to administrative and development fees if an HRIS is not implemented. An efficient HRIS lowers costs. Processes like document collection and transmission, tracking

employee hours, and payroll creation can all be automated with an HRIS. By automating these procedures, a system like this frees up HR specialists to concentrate on tasks that yield higher returns.

Ensures workforce compliance

An organization may guarantee that its personnel complies with industry norms and laws by using an HRIS. Employees may need many licenses and certifications, depending on the organization. When a license or certification is due to expire, an HRIS system keeps track of the information about it and alerts managers. Managers then inform their staff members of the need for renewal.

Maintains order in the workplace

Prior to HRIS, gathering, organizing, and retrieving personnel data required a lot of effort and time from HR specialists. Organizations can use HRIS to quickly build searchable data of objects that HR experts can access. It makes actual paperwork and filing cabinets unnecessary, which keeps the workspace more organized.

Increases the HR department's efficiency

HR specialists can save, amend, and retrieve employee data with the use of an HRIS. This technology facilitates payroll processing, employee request approval, and timecard validation. The HR department operates more efficiently when staff members finish their tasks on schedule. When overseeing a remote and hybrid workforce, this may be helpful.

Oversees benefits and payroll

HR specialists may monitor and control payroll and benefits with an HRIS, guaranteeing that workers get paid and incentives on schedule. Every qualified employee will get incentive payments on time when an HR department introduces a new program to inspire and motivate staff members. This is made possible by the HRIS. Employees can also access their benefits package through it.

6. FEATURES OF A HUMAN RESOURCE INFORMATION SYSTEM

Employees may complete forms online, make modifications in response to life events, and obtain benefit information whenever they'd like thanks to HRIS, which eliminates the need for traditional paperwork. HR staff can access any information on an employee via the system, including personal data, benefits, the number of dependents, emergency contacts, and work history, rather than "pulling an employee's file." Standardized and customized reports are included in HRIS. Templates for standard reports are available for a number of administrative uses, including as workers' compensation, record keeping, employee reviews, employment history, and tracking of absences. Reports are built with customization in mind, using business-specific categories and data. The majority of HRIS programs come with an extensive tracking system. Discipline, conflict, and complaint grievances filed by or against the employee can be kept track of with HRIS tracking features.

All sections of the Human Resources Information System, such as staff benefits, benefit contribution rates, calendars, personnel change cause codes, and the payroll process flowchart, have quick reference guides available. comprehensive guidelines for setting up and modifying employee benefit and deduction data, such as flexible spending accounts, health insurance, retirement plans, and employee-selected deductions. It is feasible to record the accounting structure for human resources, including staff benefits charges and calculations as well as account reviews and corrections. Payroll-related matters such as time reporting obligations, the distribution of checks and automatic deposits, taxable benefits, terminations, the evaluation and correction of employee pay and leave, and tax forms benefit from documentation. Employee information management forms and instructions for setting up or updating their data in the HR system. When implementing an HRIS, consider the following features:

Recruitment

An application tracking system may be available with your selected HRIS (ATS). Using an applicant tracking system (ATS), the HR department may find and evaluate prospects from a large pool of candidates. HR managers can use the data to get a general idea of the applicant's qualifications, availability, and skill set. HR specialists can readily retrieve a candidate's information at a later date, even if they are not a good fit for the position. It is simpler to fill a post when candidate data is compared within a single system. Employers who recruit talented applicants see a decrease in turnover and an improvement in workplace harmony.

Onboarding

An efficient onboarding program makes new hires feel at home and welcome while also assisting them in becoming familiar with their responsibilities. Managers may monitor the onboarding process of new hires in the HRIS and make sure they receive the necessary training to perform well at work. A physical tour, job training, health and safety training, and a benefit and policy explanation are some of the activities that may be included in the onboarding process. This makes it possible to guarantee that each worker gets the same training and tools needed to adjust to their new position.

Employee performance review

Monitoring staff performance and advancement is a crucial component of an HRIS. Managers can assess data pertaining to historical and current employee performance using the analytical tools of an HRIS when it stores information about the performance evaluation. It aids in a manager's comprehension of an employee's advancement or regress. The results of the performance review may lead managers to add to or modify the training program. These performance evaluations can assist in identifying staff members who need more assistance and resources in order to perform better.

Training and development

A learning management system (LMS) is a tool that HR departments can use to automate and organize training and development initiatives. An organization may be able to undertake substantial on-the-job training to help employees transition to other positions and enhance their abilities by using an LMS that is included in an HRIS. Managers can tailor training materials, evaluate training efficacy, assess employee knowledge, and create assessments by utilizing the LMS function. With the help of this tool, staff members can advance in their professions and upskill to satisfy industry standards.

Employee self-service

Employees can access, administer, and request changes to benefits, variable pay, and leaves through an HRIS self-service portal. Employees can view their job profile at any time by using an HRIS, which eliminates the inconvenience of asking HR specialists for this information. Employee contracts and agreements can be stored on the platform by the HR department and accessed by employees. Because it gives employees access to records like order receipts, resignation letters, and pay stubs, HRIS is an essential tool. By enabling employees to perform basic administrative activities, this self-service site lessens the burden on HR experts.

Data management

HRIS has various uses, but it also functions as a database and a tool for gathering data. It acts like a transactional system that maintains and records employee transactions. For example, an HRIS documents a transaction when an employee joins or departs an organization. Such employee interactions can be recorded by many HRIS systems, which can then be analyzed to learn more about the organization's operations.

Payroll and benefits

The HR department's responsibility for tracking benefits and payroll is significant, and an HRIS can handle these vital tasks. Generally, each employee receives payroll advantages from the HRIS along with a login portal. Employees can view their incentives and bonuses through this portal. When necessary, employees can alter or delete certain benefits and pay packages, and the application administers retirement programs.

Customisable reports

Organizations frequently prefer an HRIS that enables managers to generate customized reports since it maintains critical employee data. These studies pinpoint the organization's areas of improvement as well as its success factors. Managers make sure the business runs as efficiently as possible by analyzing and quantifying personnel data. The HRIS frequently offers data on hiring costs, turnover rates, job satisfaction, employee relations, training expenses, employee productivity, cost per hire, and the amount of time needed to fill a post. These studies aid in determining the necessary changes to enhance HR practices.

7. SELECTION OF HRIS

To handle their benefit programs and employee data, businesses need to use HRIS. Benefits management technology is becoming a "need to have," not a "nice to have," as HR must handle a deluge of data and the cost of benefits plans while

working with constrained resources. However, how can HR and other executives be certain that the HRIS they choose will be able to handle every detail and that it will endure over time? The most important questions to consider and provide answers for while choosing HRIS are listed below [2].

- What is the degree of flexibility and scalability that the HR information technology software provides? HR professionals should determine if the software can import data from multiple Excel spreadsheets, databases, and paper documents and the level with which it can interface with all kinds of systems and data.

- Will the software be able to accommodate HR's company and benefits carriers' rules? A truly capable enrollment engine will evaluate each enrollment activity and apply any necessary combination of rules, messages, prompts, and options specifically designed to meet the exact eligibility requirements desired. The software should accommodate any eligibility rules that the company and carriers have.

- Will the HRIS be able to grow and scale with the organization? HR should assess the technology's ability to grow as the company brings on new employees, offices, benefits changes, and rules. HR should ask about the thresholds for each of these elements.

- Is the HR information technology software able to integrate with other systems? Payroll and other functions often share much of the same information as benefits management. HR can obtain greater efficiencies when data and other employee information entered into one system can be shared with another system.

- Who is responsible for implementing, or building, the solution? What level of training is involved? Some solutions require the client to be very involved with the initial implementation, which can be overwhelming for already busy HR administrators. If training is involved, is there a charge? Costs of training should also be assessed - including time away and travel expenses for off-site travel. HR needs to become aware of all hard and soft costs involved in the HR information technology adoption.

- Who will own the data? The answer to this question should be the Human Resources organization. Companies should be able to transport their data to any Application Service Provider (ASP). If the data resides on a carrier's proprietary server, the company may sometimes be charged additional fees should it switch carriers.

- What security measures are built into the HRIS? If the software is available online, through an ASP, the provider should offer daily backups, backup servers, and added protective layers. Additional systems and procedures should be in place to safeguard information from being lost or accessed by unauthorized personnel. HR, in consultation with other managers, should have exclusive authority to decide who will be allowed access to the HR information technology and to what degree.

- Will employees be able to enroll in benefits plans and make changes in real-time to their personal data and plan choices? Employee access should be a given, considering the widespread, general access to computers; 70% of the population has Internet access at home. Employee self-service provides huge potential to save time and money.

- The system should clearly present the plans available and enable employees to make selections at their convenience, simplifying these actions throughout the process with wizards. Employees should also be able to add dependents and change information as necessary, 24 hours a day, seven days a week [2].

- Some of the additional considerations for selection of HRIS include cost, implementation time line and demands on internal IT resources [5]

8. CONCLUSION

HRIS's future through the HRIS, that data will be accessible. In each department, the human resource representatives will be most impacted by other process changes. Electronic form processing is most likely the biggest of those changes. Representatives will have online access to paperwork and payroll and HR information. Of course, the central administration's human resource staff who will be using the new system on a regular basis will be the ones most negatively impacted by this change [3]. All of our staff members' everyday tasks have changed significantly. Significant alterations such as this can be distressing for committed staff members who have spent years creating and maintaining a single intricate system, only to have it replaced by an entirely new one that is intricate in all respects. People will be learning how to process forms with the web-based system, and they will be learning how to acquire data that meet their

needs out of the system. This will necessitate learning new abilities and, occasionally, adjusting to new methods of operation.

In order to facilitate and improve the efficiency of the HR planning process, the HRIS is a necessary component. These days, HR managers use technology for more than just running databases and the payroll system. Nowadays, businesses view it as a useful instrument for managing talent and raising worker productivity and skill levels [8]. Organizational objectives and specific, previously defined operating needs must be taken into consideration while choosing the HRIS. HRIS is informed by management inventory and skills. To avoid careless, expensive, and time-consuming database maintenance, it is necessary to determine the precise justification for each piece of data's inclusion. HRIS has showed many benefits to the HR operations like - Faster information process, Greater information accuracy, Improved planning and program development, and Enhanced employee communications [7].

Applications and solutions provided by IT vendors for HR departments are making the lives of HR managers and executives much easier. This is the primary reason why organizations are continuously strengthening their HR departments with updated IT solutions [8]. The ground-breaking notion of integrating IT with HRM has expanded the field of study for HRIS. Easy access was one of the system's many useful features, and HR operations have benefited from it as well. A HRIS is a tool that helps an organization manage various human resources (HR) processes. Using this tool, an organization can save time and money by keeping documents and procedures together in a central location. If you want to work in the HR department, knowing everything about the HRIS can help you choose and use a system that effectively manages the HR processes.

CONFLICT OF INTERESTS

None.

ACKNOWLEDGMENTS

None.

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