

**AN ANALYTICAL STUDY OF HRIS AND ITS
EFFECTIVENESS ON THE WORKING OF HUMAN
RESOURCE MANAGEMENT - A CASE STUDY OF SRF
LTD. INDIA**

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ABSTRACT

This paper entitled “An analytical study of HRIS and its effectiveness on the working of HR- A Case Study of SRF Ltd. India” discusses about HRIS (Human Resource Information System) its benefits and impact on various aspects of SRF Ltd. Researcher studies in first objective effectiveness of HRIS in the working of organization and in second objective satisfaction level of employees of the HR professionals and most frequently handled HR activities are studied. Appropriate analytical tools are used for the purpose and results are drawn. This paper ends up with conclusion desirable suggestions.

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INTRODUCTION

A **Human Resource Management System (HRMS)** or **Human Resource Information System (HRIS)** refers to the systems and processes at the intersection between human resource management (HRM) and information technology. The Human Resource Information System (HRIS) is a software or online solution for the data entry, data tracking, and data information needs of the Human Resources, payroll, management, and accounting functions within a business. An effective HRIS provides information on just about anything the company needs to track and analyze about employees, former employees, and applicants. In its most basic form HRIS is a system used to acquire, store, manipulate, analyze, retrieve and distribute pertinent information about an organization's human resources. It is often regarded as a service provided to an organization in the form of information. The advantages of having a sophisticated HRIS or HRMS are many. It includes the ease of use for qualification computer technology specialists, accuracy of information and the ability to perform HR audits using any combination of parameters. The employee and manager self-service features are excellent ways to free up the time of your human resources staff members for project work and other duties. Employees and managers can locate answers and information quickly without the need to consult an HR representative every time.

Employee data in HRIS included:

- Update employee's details related to work, personal, dependant, emergency contact, work experience & education summary.
- Record employee's leave details, training details, and compensation & benefit details.
- Record disciplinary actions taken, exit details etc.
- Organization hierarchy - View the organization structure based on the reporting hierarchy of employees.

The basic advantage of a Human Resource Information System (HRIS) is not only to computerize employee records and databases but to maintain an up-to-date account of the decisions that have been made or that need to be made as part of a human resource management plan. The function of Human Resources departments is generally administrative and common to all organizations. Organizations may have formalized selection, evaluation, and payroll processes. The HR function consists of tracking existing employee data which traditionally

includes personal histories, skills, capabilities, accomplishments and salary. To reduce the manual workload of these administrative activities, organizations began to electronically automate many of these processes by introducing specialized Human Resource Management Systems. HR executives rely on internal or external IT professionals to develop and maintain an integrated HRMS. Currently Human Resource Management Systems encompass:

1. Payroll
2. Work Time
3. Benefits Administration
4. HR management Information system
5. Recruiting
6. Training/Learning Management System
7. Performance Record
8. Employee Self-Service

COMPANY PROFILE

SRF Limited is a multi-business entity engaged in the manufacture of chemical based industrial intermediates. Today, its business portfolio covers Technical Textiles, Chemicals, Packaging Films and Engineering Plastics. With head quarters in Gurgaon, India, the \$760 million company with a global workforce of around 5500 has operations in three more countries, UAE, Thailand and South Africa. SRF is the market leaders in most of its businesses in India and also enjoys global leadership in some of its businesses. The company is equipped with state-of-the-art R&D facilities, for process innovations and product development. A winner of the prestigious Deming Application for its tyre cord business, SRF adopts TQM as a management way. SRF remains committed to creating a culture of excellence through the people development and employee friendly approaches. .Through its social wing, SRF Foundation, the company strives to make meaningful contributions to its community on a sustainable basis. The company established its first plant in Manali near Chennai in 1973. With an initial annual capacity of 2000 tonnes of nylon cords, the plant started operations in 1974. Shri Ram Fibres thus became one of the first companies in India to start manufacturing nylon tyre cords. Over the years, the company expanded its product line in technical textiles and also diversified into other businesses like Chemicals, Packaging Films and Engineering Plastics. The company was no longer

manufacturing fibres alone, a fact that necessitated the change in the name of the company. Shri Ram Fibres thus became SRF in 1990.

NEED OF THE STUDY

- ❖ To understand the benefit arising from the use of HRIS in organizations.
- ❖ To analyze whether HR professionals perceived that HRIS were fulfilling their promise in regard to their work and decision making process in their organization.

OBJECTIVES OF THE STUDY

- ❖ To analyze the effectiveness of HRIS in the working of the organization.
- ❖ To know the satisfaction level of the HR department in using this system.

RESEARCH METHODOLOGY

(i) SAMPLE SIZE

35 Employees of HR department of SRF-PFB: Packaging and Filming Business.

(ii) DATA COLLECTION

The study is based on Primary data. Following data collecting tools were used.

- ❖ Questionnaires to the HR department and the employees.
- ❖ Personal Interviews of Employers and Employees.

ANALYSIS

We were interested in determining how effective their HRIS was and whether HR professionals perceived that HRIS were fulfilling their promise in regard to their work and decision making process in their organization. We also had a relatively small sample size. Therefore, we used frequency tables to measure the percentage of favorable responses to a series of questions assessing HR professional's perceptions of HRIS. The results of the survey are contained below. The percentages expressed are the percentage of respondents for each item who either agreed or strongly agreed with the statement.

Parameters	Favorable responses (in %)	Rank
Activeness of users employees	60	4
Satisfied level of employees	90	1
Speed and quality of information	80	2
Procedure to use HRIS	50	5
Effective decision-making	60	4

Information technology (IT) department's support.	90	1
Flexibility of the system	80	2
Time Spent in input data	50	5
time spent in communication	60	4
Time spent in processing paperwork.	60	4
Time spent in correcting errors.	60	4
Increase in levels of usefulness	80	2
Improvement in input and maintenance process.	60	4
Increase in security concerns	70	3
Easy sharing by top level	70	3
Easy coordination between HR department and top levels	40	6
Reduced the administrative burden	90	1
Value addition to organization	80	2
Better competitive advantage	20	7

What is HRIS used for

The percentage of HR activities most frequently handled by HRIS in SRF is given below in the table and the graph:

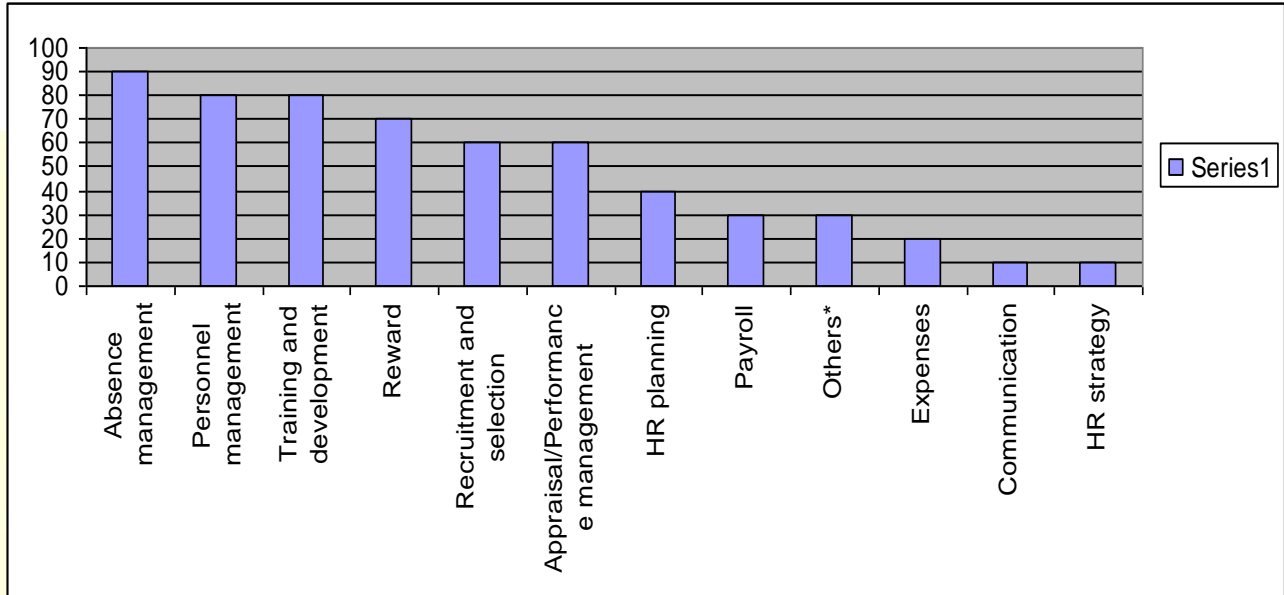
Areas	%
Absence management	90
Personnel management	80
Training and development	80
Reward	70
Recruitment and selection	60
Appraisal/Performance management	60
HR planning	40
Payroll	30
Others*	30
Expenses	20
Communication	10
HR strategy	10

*Usually pensions, accidents, work and medical history.

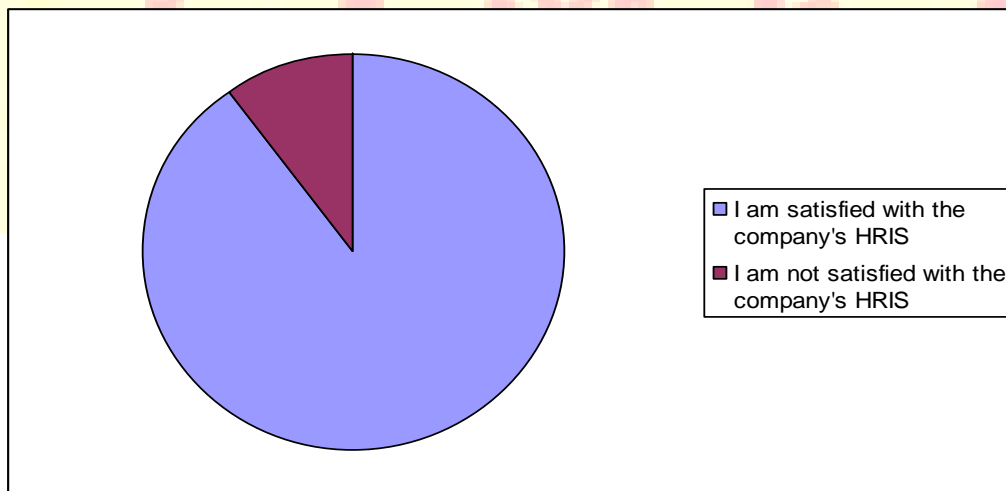
SUMMARY OF KEY FINDINGS

POSITIVES: (above 50 %)

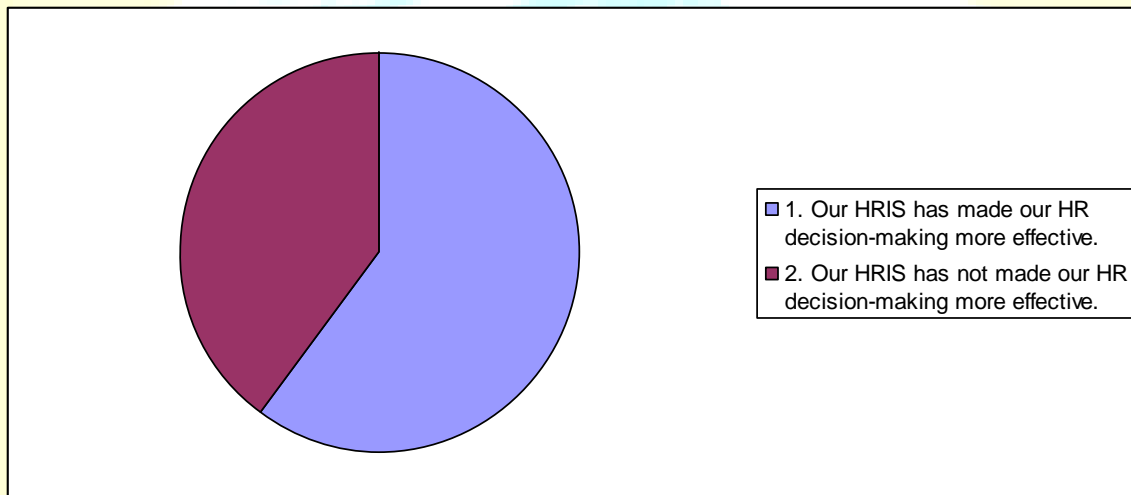
- ✚ Absence management, payroll, training - development and reward are the HR activities most frequently handled by the HRIS.



- ✚ The most frequent reasons given for using HRIS are the improvement of speed and quality of information and the reduction of the administrative burden on the HR department.
- ✚ A majority of HR professionals seemed to be pleased with HRIS as 90% are satisfied with the company's HRIS and the support provided by the information technology (IT) department.



- ✚ At least, half of the HR professionals believed that the organization has realized some savings in time spend in communicating information within the organization, correcting errors and processing paperwork.
- ✚ One area in which the HRIS apparently has had strong positive effects involves Information. 80% believe that the information generated by HRIS results in value addition to the organization and has provided increased levels of useful information. While 70% believe the information provided by HRIS is shared with the top administrators.
- ✚ Most users do not appear to have difficulty using their systems.
- ✚ 60% believe that HRIS has made their decision making more effective.



NEGATIVES: (below 50%)

- ✚ Communication, HR strategy and expenses are the HR activities less frequently handled.
- ✚ Only 40% think that the HRIS has enhanced the coordination between HR department and top administrators.
- ✚ Only 20% felt that it had aided in the promotion of the organization's competitive advantage.

CONCLUSION

Based on a sample of HR directors, the results concerning the impact of HRIS in SRF Ltd. are encouraging, but mixed. The HR professionals seem to be satisfied with their company's HRIS and the professionals are mostly involved in using the system in the organization. The perceived benefits of HRIS can be summarized as increase effectiveness in the area of saving in time, speed, quality, maintenance and sharing information within the organization, and decrease in

administrative burden and so on. An indication of problem was revealed as we see a lack of aid in the promotion of organisation's competitive advantage. Although, mostly a large number of HR professional seem to use HRIS, there are some HRIS activities which are still not utilized to its full like HR strategy and expenses. So, the potential contributions of HRIS are recognized, but further advances are needed before the potential can be realized.

SUGGESTIONS

- Use of HRIS on a regular or daily basis by the HR Directors, Managers, and Executives.
- The company must conduct regular assessments of the HRIS. The assessment provides a complete picture of how HR information is currently collected, managed and reported; the tools and processes that are in place for managing HR data; and the gaps that need to be addressed to meet the most pressing needs.
- Using each activity in HRIS so that its full potential can be utilized.

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