

A Study on the Influence of Human Resources Information System on the Performance of It Companies

R.Vinith ,

II Year MBA,

Department of Management Studies,

*Vel Tech Rangarajan Dr. Sagunthala R&D Institute of Science and Technology,
Chennai,*

India.

vinitbraghavan7@gmail.com.

(Corresponding Author).

Dr. S. Raja,

Associate Professor,

Department of Management Studies,

*Vel Tech Rangarajan Dr. Sagunthala R&D Institute of Science and Technology Chennai,
India.*

Ksraja22486@gmail.com.

Abstract

This study tried to address how IT businesses operate with computerized systems used for human resources. In particular, the research investigated the consequences of recruitment and selection, training and development, and performance methods for evaluating the accomplishment of IT companies. The study used a descriptive research design. The targeted officers included the human resource manager, employee relations manager, administrative officer, training and development officer, payroll officer, and their assisting officers.

Thus, 10 of every company's responders were targeted, giving a total population of 217 respondents. Purposively, 60 respondents made up the sample size

the method for gathering data was an inquiry form. The info was presented and analyzed using descriptive statistics. Anova and correlation analysis were utilized to determine the type of association between variables and inferential statistics were also employed. The kind and strength of the associations were investigated using Pearson's the findings indicate that resources for people information systems affect instruction and growth and the firm performance of IT companies to a high extent.

This is common; with the implementation of HRIS systems, the companies' market share, growth, and profitability have all trended upward additionally, the analysis unequivocally demonstrates that since employees can readily receive training at their convenient times, it has a larger impact when integrated into HR information systems. According to the report, IT organizations should invest a reasonable amount of time in training requirement assessment to fully utilize training resources. The automated training and development system won't be profitable unless it is thoroughly planned, integrated with the organization's strategy, and executed.

Keywords: Human Resource Information System, Recruitment and Selection, Training and Development.

I.INTRODUCTION:

One branch of the company that leverages information systems to position itself operationally, strategically, and tactically is human resource management. This branch also uses information systems to develop an environment that will boost competitive advantage and intangible assets like an organization's sustainability and reputation. Human resource (HR) professionals have been given the chance to collaborate strategically with upper management through The application of (HRIS). HRIS is supposed to improve decision-making capabilities and enable the HR department to operate more efficiently. Has HRIS lived up to its promise? That is still an open topic. An organization's employees' pertinent data can be gathered, stored, processed, evaluated, and retrieved using (HRIS).

Higher-level variants of HRIS are anticipated to emerge in 2013, though, as the use of the utilization of these systems becomes more commonplace. hypothesized that HRIS will be adopted in three stages: information publication, transaction automation, and, lastly, a shift in the organization's approach to administration of human resources that will see HR become a strategic partner with the line company. They contend that information, automation, and transformation are the next stages in the evolution of HR as it is facilitated by HRIS. Although HRIS has been implemented broadly, they observe that merely a tiny percentage of firms have seen a change in human resource management.

Employees across the organization can check basic information to protect their rights, communicate with management more effectively, and gain access to company information for personal growth, such as job availability and other career prospects, by using the HRIS system. One of the biggest problems change managers

have is resistance to change, especially when those changes entail the utilization of information technology. The findings indicated that a few employees lacked computer literacy. Because they are unable the utilization of system, this makes them resistant to change. More resources are needed by the ICT department to implement the system. Since employees are the final users of the HRIS, their input is crucial during its deployment. During system installation, job aids for various users must also be identified (Mohamed, 2012). To increase company performance, organizations need an effective planning and control system that coordinates the organizing of all internal activities. How well-performing (HRM) provides a noteworthy influence on the success of an arrangement (Troshani Jerram & Rao, 2011). A strong infrastructure for information systems is among those who are keys to success.

Processing and delivering accurate, timely personnel data is the aim of HRIS. HR specialists can do more high-value work as a result. The time required to complete these tasks will be more economical and productive and will significantly impact the organization's efficacy. Numerous advantages were discovered by earlier research as a result of the organization's adoption of HRIS. Because employees may enter more data more accurately and effectively when HRIS is implemented in the company, it has been expected that HRIS will improve time efficiency. Information technology has helped HRIS grow as a human resource management (HRM) tool. HRIS assisted in the transition of the HR professional's function from a standard administrative to a more strategic one.

Literature Review:

The study was informed by three main theories: the Technology Acceptance Model, which looks into user acceptance of technology, the Resource Theory, which describes how it can help enhance company performance, and the Human Capital Theory provides backing for the concepts of human resource management and human capital management.

According to **Wright and McMahan (2009)**, RBV is a better fit for explaining performance when considering administrative legacy and path dependency. It is less helpful, therefore, in anticipating the conditions under which a company's unique resources will produce a long-term competitive advantage. An additional critique of the inside-out approach is its propensity to undervalue contextual elements, such as the institutional setting which is especially significant from an HRM perspective and Porter-based factors (such as the threat of suppliers and market entrants). Therefore, an additional theory is required to fully comprehend (strategic) The administration of human resources, for instance, in various institutional settings.

Davis (1989) introduced the TAM, or Technology Acceptance Model which is widely applied to investigate technology adoption by users. As stated by Davis (1989), an application that the end-user finds more user-friendly than another has a higher chance of being accepted, Providing that every other element stays the same the same. TAM states that a person's perception of how to use a system is affected by both

perceived usefulness and the sense of usability. This attitude then influences a person's behavioral desire to use a system, which ultimately establishes how much of a system is indeed used. Davis (1989) removed attitude from the last version after finding a substantial correlation between behavioural purposes and thought to be beneficial but a weak relationship between the two. Pre- and post-implementation versions combine to form the updated TAM prototype. As stated by Davis (1989), during both implementation phases, people would rely more on perceived usefulness and ease of construction.

According to Schuller (2010), "the general message is compelling: competencies, knowledge, and skills are critical factors in determining whether organizations and nations will prosper." Reich (2011) also provided a compelling case for this idea. Thus, one way to conceptualize "human resource advantage" is the result of a company's advantages in human capital and human processes. This refers to the superior labor management of one company over another. Employers can attract and retain human resources in addition to increase the returns on their investments through making investments in the instruction and advancement of their workforce. These benefits are anticipated to come from increased levels of knowledge and competence as well as increased performance, productivity, flexibility, and innovative ability.

Barney (2001) This suggests that a company can achieve a durable competitive advantage if it has a reservoir of personnel that its competitors cannot match or replicate. This is what Boxall (2008) refers to as a "human capital advantage." Nevertheless, he also points out that "human capital advantage" and "human process advantage" should be distinguished (Boxall, 2006; 2009). The former is the outcome of hiring individuals with knowledge and abilities many of which are tacit and competitively useful.

Wiblen, Dery& Grant, (2010). The procedures involved in the decision-making process are then applied in ascending order: The early steps in the hiring process include receiving applications, screening them initially, selecting them, testing them, doing a supervisory interview, obtaining references and conducting a background check, providing realistic job previews, making the hiring choice, notifying candidates, and assessing the procedure.

Robbins and DeCenzo, (2010) The origin of recruitment is established by workers, job design, and job analysis, which define the different tasks performed by employees and how these tasks impact them. Conversely, selection refers to the procedure of gathering and assessing personal data in order to make an employment offer (Gatewood, Field & Barrick, 2008)The following process considers the individual's and the organization's future interests while operating within regulatory

and environmental limitations. In their summary, Mathis and Jackson (2010) noted that the selection process focuses on selecting qualified candidates for those positions.

According (Beulen, (2009).Staff development and employee identification, as well as helping them enrol in appropriate or necessary training courses related to their current jobs or to advance their skills and abilities to take on new responsibilities, can be accomplished with the help of automated training and development systems. As new technologies are implemented by many companies and sectors, it is imperative to sustain the evolution of the labour force today. Instruction and instruction tools are meant to assist staff members in determining their goals and possibilities for professional growth (Beulen, 2009). It significantly improves retention management as a result.

Lindgren et al. (2004) additionally, stress that HRIS should provide flexible analysis of the recorded competencies and that real-time, frequently misaligned, competency information should be captured. Additionally, competence-in-making information should be captured to reflect what individuals are willing to learn. An organization's ability to evaluate its key skills and adjust to or implement strategic changes is among the principal benefits and reasons for understanding competence management fully. Although they frequently refer to competency, automated performance rating system websites are typically structured around raw data rather than the core idea of capability. They make an effort to manage competencies through the use of existing lists, free text on functional categories, jobs, specialized areas, and abilities,

Gibson et al., (2010) defined firm performance as the ultimate accomplishment of an organization that includes metrics like the presence of specific goals that must be met, a timeframe for accomplishing the goals, and the insight of efficiency and effectiveness. In the past, company performance has typically been measured in terms of "cost" or "savings." Performance assessment has expanded to include more operational and business goals, nevertheless, as a result of a greater emphasis on business outcomes (Lisa, Tate, & Corey, 2008).

Research Objectives:

Primary Objective

A study on influence of human resources information system on the performance of IT companies.

Secondary Objectives

- To evaluate how the demonstration of IT organizations is affected by automated recruitment and selection systems.
- To determine how IT organizations' performance is affected by automated training

and development systems

- Examine the effects of automated performance appraisal systems on the of execution IT companies
- To investigate the effects of firm performance.

Scope of the Study:

Examine the steps involved in deploying HRIS in IT organizations, including choosing the software, customizing it, integrating it with other systems, and providing employee training. HR Procedures and Effectiveness: Examine how HRIS affects HR procedures including hiring, onboarding, managing employee data, performance reviews, training and development, paying employees, and administering benefits. Examine the efficiency increases, decrease in manual labour, and enhancement in timeliness and accuracy of HR procedures brought about by the deployment of HRIS. Examine how HRIS helps IT firms to gather, store, and examine personnel data in relation to data management and analytics. Investigate the usage of HRIS's analytics and reporting features to learn more about employee performance, turnover rates, workforce demographics, and other pertinent HR data.

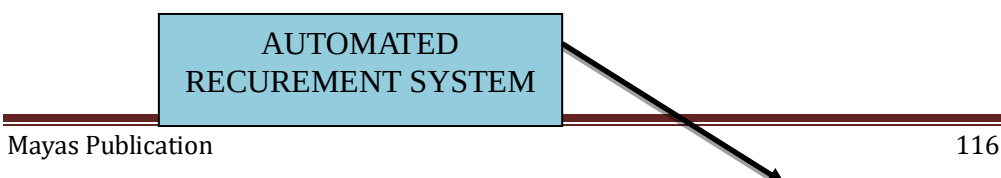
Research Methodology:

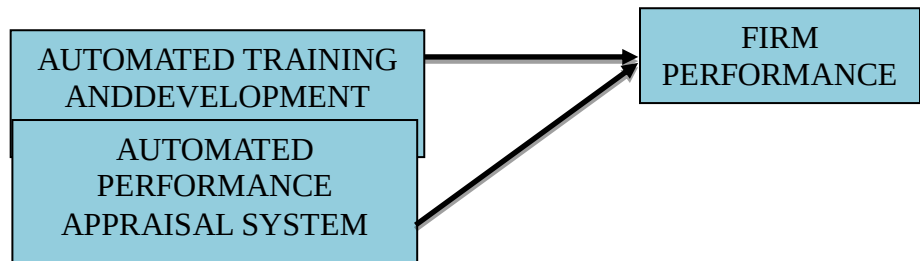
Indicate the type of study design you're using (qualitative, mixed, or quantitative). Describe the sample methods and the target IT Employees. Describe the procedures used to acquire data (such as surveys, interviews, and case studies). Describe the various methods of data analysis (such as statistical and thematic analysis).

Research Design

The research design pertains to the overall structure and strategy of a research study. It delineates the specific approaches, methodologies, and procedures that will be utilized to gather, analyze, and interpret data, with the purpose of addressing the research questions or testing the hypotheses.

RESEARCH MODEL:





From Esther Kanyua Kiruja's (2021) report, "Implications of Information Systems for Human Resources for the Operation of IT companies in Kenya,"

Data Collection Method

The types of data used in research can be mainly classified into two:

Primary Data

This is the situation where data, is collected by the researcher initially. the tool used to collect this data is a questionnaire, here for this project the research has collected data and other relevant information on employees.

Secondary Data

The previously gathered data are the secondary data. The information could be available within the company. The Information is gathered. From company, book, internet, journal, etc.

Sample Size

Depending on the size of the organization's employee base, the study will have a sample size of 217.

Data Analysis

The statistical analysis from questionnaire data is presented. Statistical procedures were carried out using IBM SPSS statistics 23.0.

Statistical Tools

- Anova
- Correlation

Hypothesis

Null Hypothesis (H0): No appreciable variation exists in firm performance among different types of automated systems (Automated Recruitment and Selection, Automated Training and Development, Automated Performance Appraisal).

Alternative Hypothesis (H1): A notable distinction exists. in firm performance among different types of automated systems.

ANOVA						
		Sum of Squares	df	Mean Square	F	Sig.
Automated recruitment and selection	Between Groups	29.037	2	14.519	.802	.450
	Within Groups	3858.222	213	18.114		
	Total	3887.259	215			
Automated training and development system	Between Groups	6.239	2	3.119	.167	.846
	Within Groups	3924.860	210	18.690		
	Total	3931.099	212			
Automated performance appraisal system	Between Groups	47.231	2	23.615	1.502	.225
	Within Groups	3286.066	209	15.723		
	Total	3333.297	211			
firms performance	Between Groups	1.000	2	.500	.262	.769
	Within Groups	405.884	213	1.906		
	Total	406.884	215			

Inference:

Based on the significance levels (p-values) provided in the ANOVA table, if the p-value is greater than the chosen significance level (usually 0.05), we fail to reject the null hypothesis. According to this, there may not be a substantial variation in firm performance among the different types of automated systems. Conversely, if the p-value As a result, there could not be a significant change in significance level, we reject the null hypothesis, indicating that there is a notable variation in the performance of the firm among the different types of automated systems.

Hypothesis:

Null Hypothesis (H0)

There is no significant relationship between automated HR systems Recruitment and Selection, Training and Development, Performance Appraisal and firm performance.

Alternative Hypothesis (H1)

There is a significant relationship between at least one of the automated HR systems Recruitment and Selection, Training and Development, Performance Appraisal and firm performance.

Correlations					
		Automated Recruitment and Selection System	Automated Training and Development System	Automated Performance Appraisal System	Firms Performance
Automated Recruitment and Selection System	Pearson Correlation	1	.508**	.529**	-.139*
	Sig. (2-tailed)		.000	.000	.042

	N	216	213	212	216
Automated Training and Development System	Pearson Correlation	.508**	1	.522**	-.169*
	Sig. (2-tailed)	.000		.000	.014
	N	213	213	209	213
Automated Performance Appraisal System	Pearson Correlation	.529**	.522**	1	-.215**
	Sig. (2-tailed)	.000	.000		.002
	N	212	209	212	212
Firms Performance	Pearson Correlation	-.139*	-.169*	-.215**	1
	Sig. (2-tailed)	.042	.014	.002	
	N	216	213	212	216

Inference:

- Automated Training and Development System have positive correlations ($r = 0.529$, $p < 0.01$) and are positively correlated ($r = 0.508$, $p < 0.01$), demonstrating that businesses that adopt automated performance appraisal and training systems also tend to use them.
- Additionally, there is a positive connection ($r = 0.522$, $p < 0.01$) between the Automated Training and Development System and the Automated Performance Appraisal System, suggesting that companies that use these systems also typically have integrated automated performance appraisal procedures.
- Unfavorable correlations exist between Automated Performance Appraisal System and Firm Performance ($r = -0.215$, $p < 0.01$), suggesting that an increased dependence on automated performance appraisal might be harmful to overall firm performance. This recommends using automated systems only for performance evaluation should be done with caution.

Findings:

The study found a moderate positive correlation between automated performance appraisal systems and automated recruitment and selection systems, additionally automated training and development systems, nonetheless there was a somewhat unfavourable link discovered between these systems and firms' performance. The study found no significant variance across groups, suggesting that the characteristics under investigation have little impact on IT organizations' overall performance. The results of the correlation study indicated a weak inverse relationship between

automated systems and corporate performance. For hiring and selection, training and development, and performance appraisal, implying weakly negative links between enterprises and HRIS components.

- The fact that the variance between the groups is not significant ($p = 0.450$) suggests that the performance of enterprises is not considerably impacted by the automated recruitment and selection mechanism.
- According to correlation analysis, there is a somewhat positive association between the automated performance appraisal system ($r = 0.529$, $p < 0.01$) and between the automated training and development system and the automated recruiting and selection system ($r = 0.508$, $p < 0.01$).
- The performance of firms and automated recruiting and selection systems have a small negative connection ($r = -0.139$, $p < 0.05$), indicating a little negative association.
- Correlation analysis reveals a moderate positive correlation between automated training and development systems and automated performance appraisal systems ($r = 0.522$, $p < 0.01$).
- There is a weak negative correlation between automated instruction and growth systems and firms' performance ($r = -0.169$, $p < 0.05$), indicating a minor adverse relationship.

II.CONCLUSION:

The results of the study showed that an HRIS improves organizational effectiveness. The effectiveness of IT firms is impacted by their recruitment and selection processes. The cost of hiring and selecting employees is decreased with an integrated HR information system. This is made possible by removing unfit individuals as soon as possible, at the appropriate location, and concentrating on those who show promise.

The study concludes from its findings how training and development are impacted by human resource information systems and the firm performance of the IT companies to a high extent. This is prevalent after the adoption of HRIS systems the companies has experienced a trending growth in market share, growth and profitability. The findings further indicate strongly that integration of training in the HRIS has a greater impact since the employees can easily access it at their favourable times. This ensures that employees attain skills that will eventually develop them career-wise.

Further, the research findings indicated that the integration of performance appraisal in the HRIS has resulted to more positive productive developments and improvements. The automated performance appraisal has created a conducive environment through better working relationships and changed the perception of

employees and stakeholders towards the company therefore resulting in a significant performance improvement in the IT companies. More so low resistance to change among other distracters has been addressed through better change management prospects.

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