



## HUMAN RESOURCE MANAGEMENT SYSTEM : AN OVERVIEW

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### **Abstract**

*The aim of the present study is find out the perception about the Human Resource Management System. There are certain notions about a career in HRM which include entry into such a career is relatively more difficult. It is low paying compared to other fields like Marketing/Finance/IT; the career growth is slow and the opportunity to get break is less; there is not much prestige associated with this career. The present study, which is based on these aspects, aims to finds whether, there is any difference among the concerned with respect to gather and job experience. The study also tries to finds out whether there is a difference of perception between concerned persons who are willing to opt for a HRM career and those who are not.*

**Keywords:** *Human Resource Management, Marketing, Finance, IT, job experience, Risk Management.*



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### **Introduction**

Human Resource Management is the organizational function for the employees who work in the organization such as:

- Recruitment and Selection process
- Employees Compensation
- Performance Management
- Organization Development
- Safety Features
- Employees Benefits
- Employee Motivation
- Management and Employees Communication
- Administration and
- Training and Development of Employees etc.

Human resource policy is the strategic deployment of plans that the human resource department. The focus of such policies is to enable the office cope up with the changing

conditions and better comprehend the business and trade mechanism by hiring and maintaining highly professional employees in the panel of workers. It is very necessary that effective human resource policy is deployed by the organization in order to run it effectively.

Human resource management policies plays a vital role for an organization who are serious about resolving personnel issues and finding hr solutions. The various HR Policies in an organisation can be related to recruitment and selection, employees development, evaluation, rewards, promotion, operating organisation, leadership styles, code of conduct, placement and induction, training and development, salary and bonus, work culture, employee welfare employee advancement programmes etc. The employees should know the HR policies of their organisation because the HR policies are associated with the working and performance of the employees in the organisation in a day to day basis effecting their formal and personal life.

### **Human Resource Management System**

Human Resource Management System shapes an interaction between human resource management and information technology. It merges HRM as a discipline and in particular its basic HR activities and processes with the information technology field, whereas the planning and programming of data processing system evolved into standardized routines and packages of enterprise resource planning [ERP] software. On the whole, these ERP System have their origin on software that integrates information from different applications into one universal database. The linkage of its financial and human resource modules through one data base is the most important distinction to the individually and propriety developed predecessors, which make this software rigid and flexible."Human Resource Management System is the handy software application helps the employer take care of the host of human resource functions using just one handy tool." Rather than taking employees attendance in one database program and employees performance reviews in another word processing program, an employer can use Human Resource Management System to consolidate all of that data into one convenient employee profile system. Using Human Resource Management System, an employer can configure payroll and benefits systems create and manage training systems and even track performance review. This kind of electronic data tracking makes managing employees needs much easier and enables employees to focus on other needs. Even if an employer does have a human resource director, Human Resource Management System can streamline the process of keeping track of employee's payroll, benefits and review data. Following are the Applications of Human Resource Management System:

- Accident reporting
- Attendance and reporting analysis
- Financial planning
- Flexible-benefits administration
- HRP
- Legal requirement
- Risk management
- Strategy planning
- Succession planning
- Training management
- Turnover analysis

### **Objectives of Human Resource Management System**

The Human Resource Management System (HRMS) modules aim is to manage employee's information by paperwork in the personal department. HRMS is the most important at HRM because it provides systematic and accurate information about the employees of the organization. So, HRMS objective are as following:-

1. Give training program and information to all new employees.
2. Improving manpower plan and the effective utilization of manpower across the organization.
3. It provides reports on period-to-period details of employees.
4. Manage the recruitment of a workforce.
5. Track development related to employees.

### **Components of HRMS**

Following are the Components of Human Resource Management System:

- Data resources
- Hardware resources
- Human resources
- Model resources
- Software resources

### **Benefits of HRMS**

HRMS provides a lot of information a lots of benefits to an organization. with the help of HRMS work become shorter, faster and more efficiently to manage every aspect of organization benefits are as follows:

- Get a single source of truth
- Get detailed employee information instantly
- Increase employees satisfaction
- Increase productivity
- Keep information confidential
- Manage employees resources systematically
- Optimize compensation plan
- Share information efficiently
- Simplify employees benefits

### **Distinctions between HRM and HRMS**

- **HRM:** Human Resource Management is a management which relates to the recruit, selects and develops members for on organization. In HRM all work done under traditional System.
- **HRMS:** Human Resource Management System is a systematic procedure for Collecting storing maintaining and validating data needed by an organization about it human Resources. In Human Resource Management System all works done in computer it based on new technology. Different types at Human Resource Management System Software available in market.

### **Effectiveness of Human Resource Management System**

- As the project acquires new data collection system of employees applies them in job situations.
- Attempt should be made to create organizational conditions that are conducive to a good environment.
- Constructive feed back must be important for the organization.
- HRMS program should be helped to see the need for HR by making him aware of the personal benefits he can achieve through performance.
- HRMS program should be planned so that it is related to organizational goals.
- It should be recognized that the software which are selected according to organization
- Provide full knowledge of the HRMS.
- Specific HRMS objective should be outlined on the basis of the type of performance required to achieve organizational goals and objectives.
- System should be easy to understand by employees and feasibility of system also an important thing.

## **Functions of Human Resource Management System :**

The functions of HRMS can be broadly stated as:-

- **Organizational set up and configuration**
  - Defining organization al structure and hierarchy.
  - Updating organization structure and hierarchy.
  - Defining and maintaining employee classification and hierarchy.
  - Set up access and approval levels.
- **Recruitment**
  - Advertisements in various forms.
  - Application processing
  - Written tests and group discussions
  - Updated lists for campus recruitments
- **Employee details maintenance**
  - Maintaining service records of employees
- **Employee benefits details maintenance**
  - Allowances and claims processing
  - Issuing loans and advances
  - Producing appropriate reports
  - Taking changes in salary scales and allowances
  - Verifying registering and updating professional membership
- **Attendance management**
  - Tracking attendance registers
  - Tracking late arrivals
  - Tracking overtime
- **Training details maintenance**
  - Maintaining details of training institutions
  - Maintaining post-training details
  - Maintaining post-training work reallocations
  - Maintaining training requests and requirements details
  - Tracking budgetary allocations
  - Tracking internal training programmes
- **Allocations, transfers and deputation management**

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- Generating transfer details
- Maintaining deputation details
- **Performance-appraisal management**
  - Generating details of reminders for performance-appraisal reports
  - Maintaining details of ratings from appraisal officers
  - Maintaining details of timely performance-appraisal reports.
- **Promotion-details management**
  - Generating lists of eligible candidates
  - Grading eligible candidates
  - Maintaining details of promotions
- **Leave-details management**
  - Crediting leave to employee accounts
  - Maintaining details of leave availed and required approvals
  - Maintaining details of leave encashment
  - Validating details of residuals leave
- **Separation-details management**
  - Registering details of employee benefits
  - Updating details of terminal benefits
- **Manpower planning**
  - Generating current human resources details
  - Generating MIS reports
  - Maintaining succession details
  - Maintaining transfer details

### **Principle Areas of Human Resource Management System**

1. Payroll module
  2. The Time and Labor Management module
  3. The Benefits of Administration module
  4. The HR management module
- **Payroll module:** The payroll module automates the pay process by gathering data on employee time and attendance, calculating, various deductions and taxes, and generating periodic pay cheques and employee tax reports

- **The Time and Labor Management module:** It applies new technology and methods (time collection devices) to cost effectively gather and evaluate employee time/work information. The most advanced modules provide broad flexibility in data collection methods, as well as labor distribution capability and data analysis features.
- **The Benefits of Administration module:** Permits HR professionals to easily administer and track employee participation in benefits programs ranging from healthcare provider, insurance policy, and pension plan to profit sharing or stock option plans.
- **The HR management module:** Is a components component covering all other HR aspects from application to retirement. The system records basic demographic and address data, selection training and development capabilities and skills managements, compensation planning records and other related activities. In short HR activities shift away from paper based processes to using self-services functionalities that benefits employee, managers and HR professionals alike.
- **Collecting the data :** Prior to start up of the system, data must be collected and entering into the system.
- **Defining the requirements :** A statement of requirement specific in detail exactly what is the HRMS will do. A large part of the statement of requirements normally deals with the details of the reports that will be produced. the statement also describes other specific requirements.
- **Evaluation :** After the HRMS has been in place for a reasonable length of time, the system should be evaluated.
- **Feasibility study :** Feasibility study evaluates the present system and details the benefits of HRMS. It evaluates the costs and benefits of HRMS.
- **Inception of idea:** The idea for having and HRMS must originate somewhere. The originator of the idea should prepare a preliminary report showing the need for an HRMS and what can do for the organizations.
- **Maintenance:** It normally takes several of weeks or even months for the HR people to feel comfortable with the new system. During the stabilization period, any remaining errors and adjustment should be handled.
- **Package contract negotiation :** After a vendor has been selected , a contract must be negotiated. The contract stipulates the Vendor's responsibilities with regard to software, installation, service, maintenance, training, and documentation.

- **Process of HRMS:** As with any major change, proper planning is an absolute necessity for successful implementation of an HRMS, the steps outlined below describe the specific procedures involved in successfully developing and implementing an HRMS.
- **Running in parallel :** Even after the new HRMS has been tested, it is desirable to run the new system in parallel with the old system for a period of time.
- **Selecting a project team:** The project team should consist of an HR representative who is knowledgeable about the organization's HR function and representative from both management information system and payroll.
- **Starting Up:** Start up begins when all the current actions are put into the system and reports are produced. Even though the system has been tested, some additional errors often surface during start up.
- **Testing the System :** Once the system has been tailored to the organization's need and the data entered the periods of testing follows. The purpose of the testing is to verify the output of HRMS and to make sure it is doing what it is supposed to do.
- **Training :** First, the members of the project team are trained to use the HRMS.
- **Vendor Analysis:** This step determines what hardware and software are available that will best meet the organization's need for the lowest price.

## **Conclusion**

Together and now, business leaders and HRM professionals have the opportunity to understand the history that brings us to our current situation, to be informed by predictable trends, and to make the transformation necessary to result in organizational competitive advantage and HR functional viability. Over the last hundred years, the HR profession evolved dramatically, usually in response to external conditions. Unquestionably we are changing—the issue in front of us is whether we will define that future or simply react to the changes that continue to occur in the economy and in our business models.

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