

A Study on Measuring Human Resource Information System at JBM Auto Limited

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ABSTRACT

The introduction of technology has been seen to increase organizational efficiency and effectiveness resulting in better organizational performance. Due to the fact that proper management of human resources has a positive impact on an organization's bottom line it is important that steps are taken to make the HR function more effective.

One way of doing this is through the introduction of a human resource information system. It is also important for organizations to assess the effectiveness of these systems to justify the cost and time involved in their introduction.

JBM auto Ltd introduced a new human resource information system in their operations however its effectiveness has not yet been assessed. The use of HRIS is becoming popular among organizations however limited studies have been conducted to assess their effectiveness. Further studies need to be conducted in this field.

The study was aimed at assessing the perceived effectiveness of HRIS at JBM auto Ltd. It has been conducted in response to the lack of research on HRIS effectiveness in Africa. The study focuses on two theories the Technology Acceptance Theory and the De lone & McLean IS Model.

Based on the two theories the study will cover information quality, service quality, ease of use

and usefulness. The researcher adopted a descriptive research design with the population consisting of the JBM employees.

Keywords: Positive impact, Quality, Design, JBM employees.

INTRODUCTION

Human Resource Information Systems

The effective management of human resources is a major concern of any organization that wants to maintain a competitive edge in today's dynamic environment.

“According to Noe et al. (2011) a human resource information system is a computerized system used to acquire, store, manipulate, analyze, retrieve and distribute HR information. The introduction of a human resource information system increases efficiency in the HR function by providing better and more timely information to support decision making (Ankrah&Sokro, 2012)”.

The automation of HR functions allows HR to take on a more strategic position by reducing the time taken to complete transactional tasks and processes. HRIS lead to faster decision making in the development, planning, and administration of HR due to the ease with which information is stored, retrieved, updated, classified, and analyzed (Sadri and Chatterjee, 2013).

“According to Snell &Bohlander (2013) HRIS have a great impact on HR, they not only reduce cost and increase efficiency but they also connect people to each other as well as to the data they require. Less time is therefore spent on transactional tasks providing more time to concentrate on strategic decisions. HR planning becomes more effective because managers can base their decisions on actual data as opposed to intuition”.

For example a company undergoing restructuring can use the HRIS to perform HR analytics to determine the effectiveness of the organization's workforce (Bulmash, 2013). In the past organizations kept employee records in physical files which made retrieval time consuming and ineffective. The use of HRIS allows employees to control their personal information and provides line managers with quick access to information which leads to better and faster decisions. As a result the number of people required in the HR department reduces (Nawaz, 2012).

OBJECTIVES OF STUDY

Primary objective:

To study about measuring human resource management system on JBM AUTO.LTD

Secondary objective:

- HR information system should provide information in such a manner that it helps in improving one or more decisions, that is, it must cause an appropriate decision to be made and a less appropriate decision to be rejected.
- Information has no value if the same decision could be made even without it. Thus, accurate, relevant, and timely information is needed.
- Apart from decision making, HR information system should supply HR information which is required by statutory provisions or other agencies like industry associations, research organizations, etc.
- Besides, there may be ad hoc query from internal employees to know their current status like leave account, overtime worked, provident fund account, and so on.
- HR information system should provide information in the most cost-effective way.
- Benefit from information is derived in terms of improved decision making and satisfaction of other requirements.
- Cost of information is in terms of its collection, processing, storing, and retrieval.
- If the benefit of information is more than its cost, it adds value to the organization. In alternative case, it is a drag on the organization.

INDUSTRIAL PROFILE

India became the fourth largest auto market in 2019 displacing Germany with about 3.99 million units sold in the passenger and commercial vehicles categories. India is expected to displace Japan as the third largest auto market by 2021.

The two wheeler segment dominates the market in terms of volume owing to a growing middle class and a young population. Moreover, the growing interest of the companies in exploring the rural markets further aided the growth of the sector.

India is also a prominent auto exporter and has strong export growth expectations for the near future. In addition, several initiatives by the Government of India and major automobile players in the Indian market are expected to make India a leader in the two-wheeler and four-wheeler market in the world by 2020.

Market Size

Domestic automobiles production increased at 2.36% CAGR between FY16-20 with 26.36 million vehicles being manufactured in the country in FY20. Overall, domestic automobiles sales increased at 1.29% CAGR between FY16-FY20 with 21.55 million vehicles being sold in FY20.

Two wheelers and passenger vehicles dominate the domestic Indian auto market. Passenger car sales are dominated by small and mid-sized cars. Two wheelers and passenger cars accounted for 80.8% and 12.9% market share, respectively, accounting for a combined sale of over 20.1

million vehicles in FY20.

Passenger vehicle (PV) sales stood at 3,10,294 units in October 2020, compared with 2,71,737 units in October 2019, registering a 14.19% growth. As per the Federation of Automobile Dealers Associations (FADA), PV sales in November 2020 stood at 2,91,001 units, compared with 2,79,365 units in November 2019, registering a 4.17% growth.

Overall, automobile export reached 4.77 million vehicles in FY20, growing at a CAGR of 6.94% during FY16-FY20. Two wheelers made up 73.9% of the vehicles exported, followed by passenger vehicles at 14.2%, three wheelers at 10.5% and commercial vehicles at 1.3%.

EV sales, excluding E-rickshaws, in India witnessed a growth of 20% and reached 1.56 lakh units in FY20 driven by two wheelers

REVIEW OF LITERATURE

This chapter discusses literature relevant to the study. It covers the Technology Acceptance Model, DeLone and McLean IS Success Model and effective human resource information systems.

Technology Acceptance Model

The Technology Acceptance Model was developed by Fred Davis in 1989. The theory explains how individuals react to the introduction of new technology (Davis, 1989). Creating a new way of doing things is always met with some level of resistance

The DeLone and McLean Model

In 1992, DeLone and McLean developed a model to measure the success of information systems. The model is referred to as the DeLone and McLean IS Success Model (D&MIS Success Model). The model has six aspects: individual impact, organizational impact, system quality, information quality, user satisfaction and use. It should be noted that

Human Resource Information System

Organizations are constantly looking for ways of effectively managing human capital while providing better services and minimizing costs. Development in computer related technology has strongly impacted the way HR uses information. Large quantities of data can be stored, retrieved and manipulated in a timely manner (Noe et al., 2011). A major concern of HR is HRIS security and privacy. The HR department must develop and document policies to protect data integrity and confidentiality. HRIS should be configured to limit the access of different people based on their position. In addition to promote data accuracy employees should be allowed to review and correct their own information (Gomez-Mejia et al., 2012).

Information Quality

Information quality refers to the HRIS generating output that is relevant, consistent, useable and accurate in a timely manner (Petter et al., 2008).

HR information is usually sensitive and confidential and forms the basis of important management decisions. Failure of HRIS to provide reliable information may lead to serious consequences.

RESEARCH METHODOLOGY

Introduction

This chapter describes the methods and procedures that were used to collect information. It highlights the research design, methodology, target population, sample design and the data collection tools that were used.

Research Design

For this study a descriptive research design was used. This type of research design uses observation to collect data. This observation can take various forms for example questionnaires, interviews and recordings (Walliman, 2011).

“According to Saunders (2007) the purpose of descriptive research design is to generate an accurate representation of individuals or situations. Descriptive research is concerned with finding out how, what and where of a phenomenon (Cooper & Schindler, 2003)”.

Descriptive research was selected for the study because the method allows fact finding. This research design also allows the collection of qualitative data that would be used to identify patterns and trends.

“According to Walliman (2011) a population in research does not only refer to people. It is the total quantity of things being studied for example people, objects and organizations. It is a set of people, groups, events or items being investigated”.

They can be categorized into 3 main levels namely senior level, supervisors and other staff. All employees have access to the company's HRIS and are required to use it to manage their information. The study population therefore consisted of all 100 employees.

Data analysis, interpretation and inference

DATA CLASSIFICATION

Table shows the data classification of the respondents

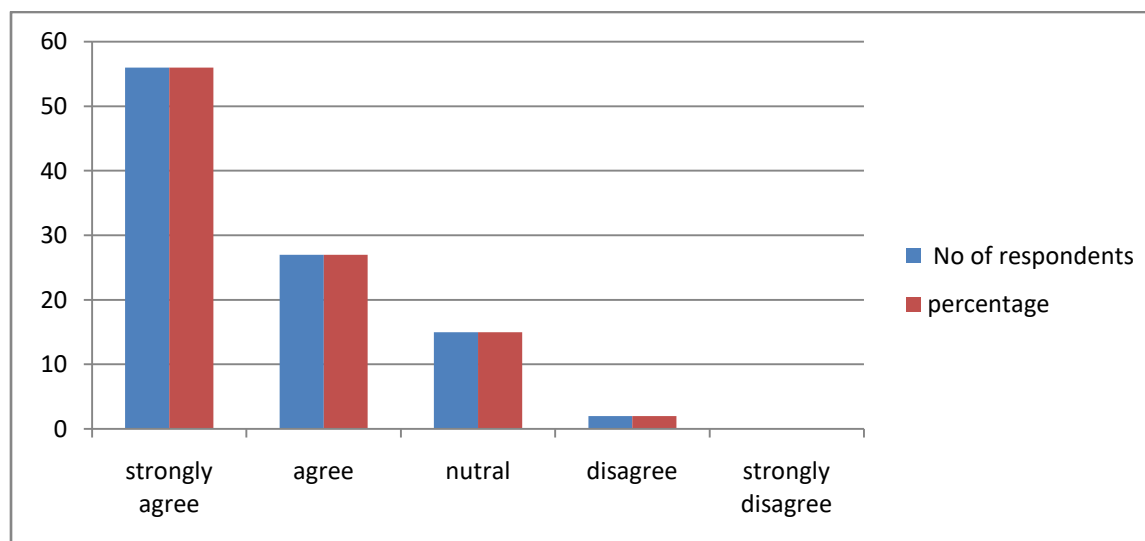
S.NO	particulars	factor	No of respondent	percentage
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1	Age	Adult(21-40)yrs	75	75%
		mid-life(40-55)	25	25%
2	Gender	Male	63	63%
		Female	37	37%
3	Marital status	Married	60	60%
		unmarried	40	40%
4	Qualification	B.E	30	30%
		Deploma	32	32%
		Master degree	25	25%
		others	23	23%

Table views of respondents about organization provides timely information.

	options	No of respondents	Percentage
a.	Strongly Agree	56	56
b.	Agree	27	27
c.	Neutral	15	15
d.	Disagree	2	2
e.	Strongly agree	0	0
	Total	100	100

Organization provides timely information



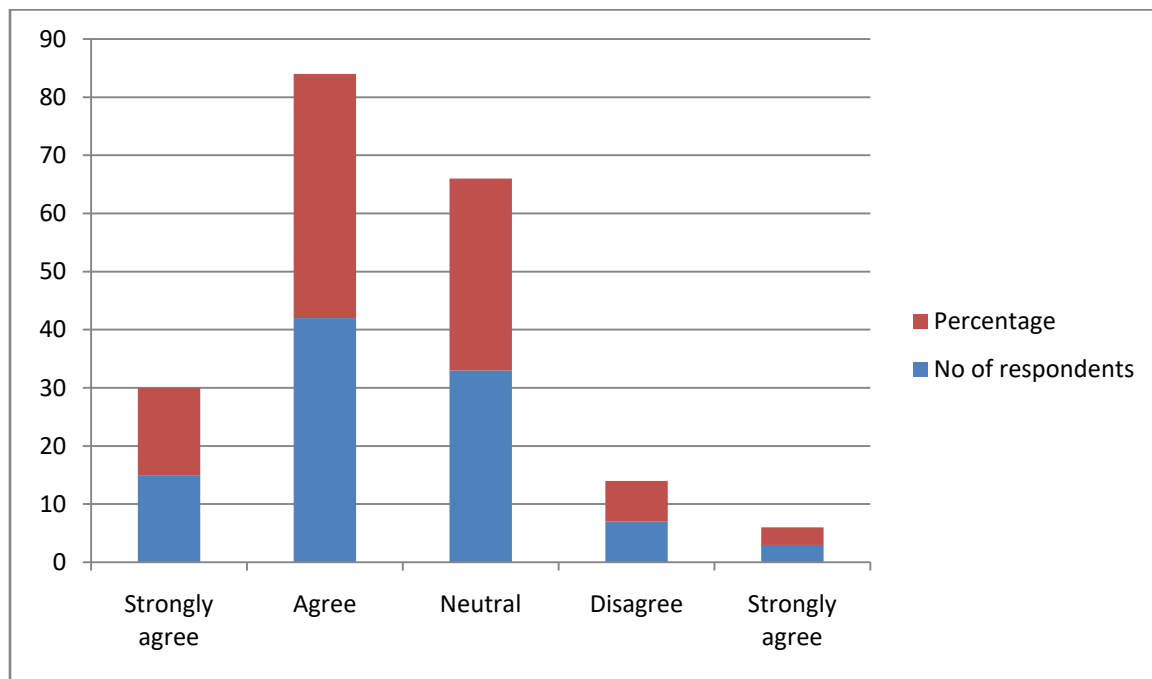
INTERPRETATION:

From the above chart it is found that most of the employees strongly agreed to the organization provides timely information whereas none was strongly disagreeing in doing so

Table - view of respondents in organization provides accurate information.

	Options	No of respondents	Percentage
a.	Strongly agree	15	15
b.	Agree	42	42
c.	Neutral	33	33
d.	Disagree	7	7
e.	Strongly agree	3	3
	Total	100	100

Organization provides accurate information.



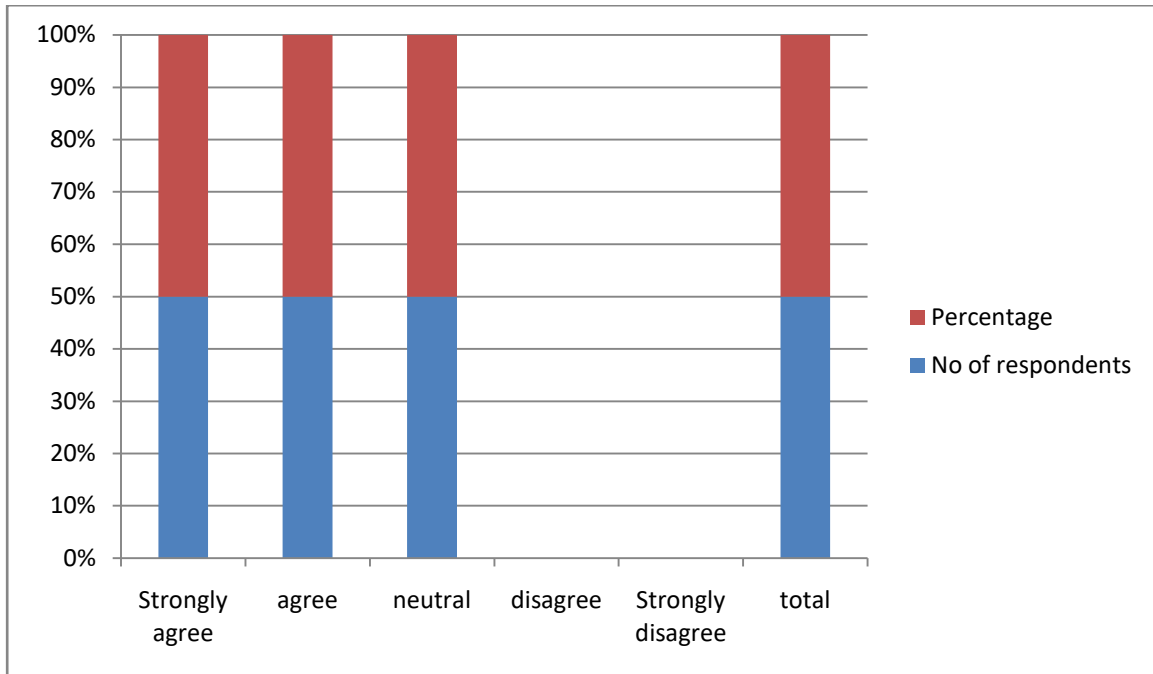
INTERPRETATION:

From the above table it is observed that 42% of the employees agreed to organization provides accurate information.it while only 3% strongly disagreed with the statement

Table -view of respondents about organization provides adequate HRIS training to newjoiners

	options	No of respondents	Percentage
a.	Strongly agree	60	60
b.	agree	43	43
c.	neutral	7	7
d.	disagree	0	0
e.	Strongly disagree	0	0
	total	100	100

Organization provides adequate HRIS training to newjoiners



INTERPRETATION:

From the above table it is found 60% of the respondents strongly agreed to organization provides adequate HRIS training to new joiners.

43% agreed whereas none of the respondent disagreed to the statement.

FINDINGS

- The objective of the study was to determine the perceived effectiveness of HRIS at JBM AUTO Ltd.
- The demographic characteristics of the respondents revealed that half of the respondents were from the lower management levels.
- That is senior managers are fewer than individuals in the other management levels.
- There is a high male population within the organization due to the nature of the organization's business.

- In addition the study also revealed that most of them were between the age of 26 and 45 years.
- There was consensus among the respondents on all aspects of information quality.
- The respondents agreed that the information generated by the HRIS was timely, accurate, sufficient, clear and relevant.
- They were also in agreement that the information generated by the HRIS was presented in a useful format and that it met their needs.
- The respondents were neutral on whether the HRIS support team was reliable or reachable.
- There was lack of consensus for those two aspects of service quality with results showing large variances.

SUGGESTIONS

Based on the study the researcher makes the following recommendations:

- The organization should invest in HRIS training for both new and existing employees.
- New employee training should be included as part of the employee on-boarding process.
- It should be tailored to the specific role and needs of the user, that is, different training for non-supervisory employees, line managers and the HR team.
- Refresher trainings should be conducted periodically for existing employees.
- The training should be organized in different locations to ensure that all employees are taken into consideration.
- The HR department should reach out to employees to find out the type of information required by employees that use the system.
- Once done they should liaise with the HRIS vendor to find out how they can improve the format and quality of the information generated.
- In addition they should seek ways of simplifying processes so that employees find it easier to navigate and use the system.
- Finally there is need to invest in customer service training for the HRIS support team so that they can better serve the organization.

CONCLUSION

According to the study the HRIS at JBM AUTO.LTD is mainly perceived as effective however there is still need for improvement. The system generates quality information however there is need to improve the data format. The existing HRIS training at the organization is not sufficient for both the new and existing employees. In addition the organization would also benefit if the services provided by HRIS support were made more efficient. The system is perceived as useful for completing a range of HR tasks such as performance and time-off management. The system is not perceived as easy to use even though it displays useful messages and alerts.

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