

# THE AFTERMATH OF INFUSION OF INFORMATION TECHNOLOGY (IT) ON THE ARENA OF HRM-AN EVALUATION

K. DURGA<sup>#</sup> AND G. RAJENDRAN\*

<sup>#</sup>Ph.D. Research Scholar, Department of commerce, Poompuhar College (Autonomous), Melaiyur, Nagapattinam, Tamilnadu, India. Pin code – 609 107. Email Id: kdurgaseetha@gmail.com

\*Associate Professor, Department of Commerce, Poompuhar College (Autonomous), Melaiyur, Nagapattinam, Tamilnadu, India Pin code – 609 107.

---

## ABSTRACT

---

In modern days, Information Technology (IT) is used by people of different walks of life. It helps to communicate with others, to learn more information, to work with the organisation and to spend our free times. The Information Technology is playing a vital role in our daily life. Recruitment, selection, Training and Development, and Performance evaluation are some for the Human Resource Management Functions. The functions of Human Resource Management are influenced by the Information Technology in different ways. A study on the impact of Information Technology on Human Resource Management Functions is more helpful to develop the field of HRM. The application of Information Technology has its impact on Human Resource Management functions, in effective and efficient manner. This paper is an attempt on the impact of Information Technology on Human Resource Management Functions during the era of liberalisation and globalisation.

---

**Keywords:** Information Technology; Human Resource Management; Human Resource Information system; and Human Resource Management Functions.

---

## 1. INTRODUCTION

In modern days, Information Technology (IT) is used by people of different walks of life. It helps to communicate with others, to learn more information, to work with the organisation and to spend our free times. The prominence and significance of Information Technology in all the field has grown considerably during the recent years. Undoubtedly, the Information Technology (IT) has also influenced the Human Resource Management. The functions of Human Resource Management like Recruitment, selections, Training and Development, Motivation and Performance Evaluation, etc., are radically changed from the past trends. By these changes the field of Human Resource Management has grown enormously. The application of Information Technology has its impact on Human Resource Management Functions, in effective and efficient manner.

The aim of this paper is to know the impact of Information Technology on Human Resource Management Functions. Chiefly, how it can be used for Recruitment, Selection, Training and

Development, and Performance Evaluation and also to know what changes we can make form the use of Information Technology in Human Resource Management Functions. To know the mentioned changes, it is relevant to delineate present trends of the Information Technology (IT), Human Resource Management and Human Resource Management Functions.

## 2. INFORMATION TECHNOLOGY (IT)

The term Information Technology was coined by J.M Domsic of Michigun in 1981. Domsic created the term to modernise the outdated phrase “data processing”. Information Technology is a general term that describes any technology that helps to produce, manipulate, stores, communicate and/ or disseminate information. When speaking of Information Technology as a whole, it is noted that the use of computers and information are associated. “Information Technology” as defined by the Information Technology Association of America (ITAA), is “the study, design, development, implementation, support or management of computers based information systems, particularly

software applicants and computer hardware". Information Technology deals with the use of computers and computer software to convert, store, protect, transmit and securely retrieve information.

### **3. HUMAN RESOURCE MANAGEMENT (HRM)**

Human Resource Management is concerned with the personnel policies and managerial practices and systems that influence the workforce.

The evolution and development of Human Resource Management (HRM) is said to have started in early 1800s, during the Craftsmen and Apprenticeship era, and further development in HRM with the arrival of the Industrial Revolution in 1850s in Western Europe and USA. In the USA early in the 20<sup>th</sup> century, Frederick Winslow Taylor suggested that a combination of Scientific Management and Industrial Psychology of workers should be introduced. In this case, it was proposed that workers should be managed not only for the job and its efficiencies but also for the Psychology and Maximum well-being of the workers in the organisations. Moreover, with drastic changes in technology the growth of organisations, the rise of unions and concern and intervention of government resulted in the development of personnel department in the 1920s. At this point, personal administrators were called "Welfare Secretaries" (Ivancevich, 2007).

HRM is said to have started from the term Personnel Management (PM). The term PM emerges after the Second World War in 1945 as an approach by personnel practitioners to separate and distinguish themselves from other managerial functions and make the personnel functions into professional managerial positions. Traditionally, the functions of PM is claimed to 'hire and fire' employees in organizations other than salary payments and training. But there were many criticisms and concerns of ambiguity expressed about the purpose and role of PM to HRM (Tyson, 1985). Therefore, the term HRM gradually tended to replace the term PM (Lloyd and Rawlinson, 1992). However, writers argue that the term HRM has no appreciable difference from PM as they are both concerned with the functions of obtaining, organizing, and motivating human resources required by organizations. At the same time, writers are defining the terms HRM and PM in many different ways (Beer and Spector, 1985). The rebranding of the term from PM to HRM was done due to the evolution and changes in the world of management and

therefore, a contemporary term would seem appropriate that can encompass new ideas, concepts and philosophies of human resources (Noon,1992, Armstrong, 2000). Indeed, some writers comment that there are 'little differences' between PM and HRM and it has been criticized as pouring 'old wine into new bottle' with a different label (Legge, 2005). Whether HRM is considered to be different than personnel management is a continued debate on both its meaning and practices (Marchington and Wilkinson, 2002; Legge, 2005).

Strategic Human Resource Management (SHRM) has grown considerably in the last years. Schuler, Dolan and Jackson (2001) described the evolution of SHRM from personnel management in terms of a two-phased transformation: first from personnel management to Traditional Human Resource Management (THRM), and then from THRM to SHRM. To improve performance and create a competitive advantage, a firm's HR must focus on a new set of priorities. These new priorities are more strategic oriented and less geared towards traditional HR functions such as staffing, training, appraisal and compensation. Strategic priorities include team-based job designs, flexible workforces, quality improvement practices, employee empowerment, and incentive-based compensation. SHRM is designed to diagnose strategic needs and plan talent development, which are required to implement a competitive strategy and achieve operational goods (Huselid, Jackson and Schuler, 1997).

### **4. HUMAN RESOURCE INFORMATION SYSTEM (HRIS)**

HRIS has a very humble historical origin. Although there were some exceptions, prior to Second World War Human Resource professionals (then referred to as "personnel" staff) performed basic employee records keeping as a service function with limited interaction on core business mission. Initial efforts to manage information about personnel were frequently limited to employee names and addresses, and perhaps some employment history often scribbled on 3x5 note cards (Kavanaugh, Gueatal and Tannenbaum, 1990). Between 1945 and 1960, organizations became more aware of human capital issues and began to develop formal processes for selection and development of employees. At the same time, organizations began to recognise the importance of employees' morale on the firm's overall effectiveness. While this period of change in the profession did not result in significant changes in

HRIS (although employee files did become somewhat more complex), some believe that it set the stage for an explosion of changes that began in the 1960s and 1970s (Kavanaugh, Gueutal and Tannenbaum, 1990).

During the next twenty years (1960 to 1980) Human Resource was integrated into the core business mission and, at the same time period, governmental and regulatory reporting requirements for employees also increased significantly. The advent and widespread use of mainframe computers in corporate America corresponded with this regulatory increase and provided a technological solution to the increased analytical and record-keeping requirements imposed by growing regulation of employment and a host of new reporting requirements. The Human Resource Department became one of the most important users of the costly computing systems of the day, often edging other functional areas for computer access. Although HRIS systems were computerized and grew extensively in size and scope during this period, they remained (for the most part) simple record-keeping systems (Kavanaugh et al., 1990). According to Kovach and colleagues, HRIS is considered as a systematic procedure for collecting, storing, maintaining, and recovering data required by an organization about their human resources, personnel activities and organizational characteristics (Kovach, Hughes, Fagan and Maggitti, 2002).

The benefits of HRIS monitored by qualified specialists who know technology and HR functional and tactical processes can manage compliance with federal and state laws, streamline processes for recruitment and selection, and produce analyses, data and reports for internal and external use, and also friendly 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 help of any HR representative every time.

## 5. HUMAN RESOURCE MANAGEMENT FUNCTIONS

In broader terms, all divisions that affect the workforce of the organisation concern the HRM functions. The activities involved in HRM function

are pervasive throughout the organisation. Line managers, typically spend more than fifty percent of their time for human resource activities such hiring, evaluating disciplining and scheduling employees. HRM specialists in the HRM department help organisations with all activities related to staffing and maintaining an effective workforce. Major HRM responsibilities include work design and job analysis, training and development, recruiting, and compensation, team-building, performance management and appraisal, worker health and safety issues, as well as identifying or developing valid methods for selecting staff. HRM department provides the tools, data and processes that are used by line managers in their HRM component of their job.

## 6. IMPACT OF INFORMATION TECHNOLOGY ON HRM

In case of Human Resource Management, Information Technology helps in all processes from recruit to retire functions and has drastically changed the way employees and managers get access to the human resource data. The wide range of impact of Information technology on Human Resource Management can be clearly viewed on the Human Resource Management functions such as:

- Recruitment
- Selection
- Training and Development
- Performance Evaluation etc,

**Recruitment:** In case of Recruitment, Information Technology has a highly positive impact. E-recruitment is the use of technology or web tools to support the recruitment process. The major ways of recruitment, which companies commonly use are by displaying the career opportunities on their websites depending on the portals for making the potential hires and using Social Networking Sites (SNS) for getting the database. The usage of social Networking helps in getting faster response and interactions but the safety and credibility of the data continues to be a serious questions. Corporates have started using these sites for business and to find out potential talent in few minutes. It is due to the reduced cost and greater reach of SNS to the younger segment which makes major corporates use SNS as a tool for recruitment.

**Selection:** In selection process, Information Technology provides computer applications to screen resumes and applications; however they seem to be

less sophisticated and effective at this time. This appears to be an area where companies are redirecting the cost savings from using the Information Technology to attract a broader base of applicants. The three areas of selection where we found the most influence of Information Technology are:

- Resume scanning applications;
- On-line testing and assessment tools; and
- Initial interviewing.

**Training and Development:** In case of Training and Development, e-learning is an intense opportunity provided by the companies for the employees, which help them to increase their knowledge level. The training materials are provided by the companies in online; employees can utilise the materials and get trained. In the case of e-learning, employees have an advantage that they can learn at their own pace. The stretched duration is taken by the employees to complete the training.

**Performance Evaluation:** Information Technology helps to evaluate and direct the employee performance. It helps to mechanise the processes of Human Resource and save time and cost, and reduce the efforts required and the paperwork. The information is systematically stored in metrics where the current employee performance can be evaluated with the targets and the stands.

## 7. CONCLUSION

The once immobile nature of human factor has dramatically changed during the past two decades. The simplicity of work also changed and the work became complicated now a days due to the infusion of technology and tools of technology. Each and every domain of HRM is becoming complicated and sophisticated by the improved versions of Information Technology. The IT and ITes have seen mammoth changes during the recent past. The same is replicated in the HRM also. There is no doubt that Information Technology has its impact on HRM but there is other side of the coin also. The work cultures, the loyalty among employees have been slowly eroded. There has been a problem of attrition in every field, though not the attrition from domestic industry to industries abroad. Due to the IT application in every field of business there has been large scale exodus of employees from rural to urban areas. Eventually it may be concluded that the Information Technology has its impact both positively and negatively in the field of Human Resource Management.

## REFERENCES

- [1]. Adewoye, J.O. and Obasan. Kehinde, A. (2012). The impact of Information Technology (IT) on Human Resource Management (HRM): Empirical evidence from Nigeria Banking sector case study of selected Banks from Lagos state and Oyo state in south-west Nigeria. *European Journal of Business and Management*. Vol 4, No.6,2012. ([www.iiste.org](http://www.iiste.org)).
- [2]. Ellen A. Ensher, Troy R. Nielson, and Elisa Grant-Vallone (2002). Tales from the Hiring Line: Effects of the Internet and Technology on HR processes. *Organizational Dynamics*, Vol.31, No.3, pp. 224-244, 2002. ([www.organizational-dynamics.com](http://www.organizational-dynamics.com)).
- [3]. John Bernardin, (2007). *H. Human Resource Management - McGraw Hill*, fourth Edition 2007. (<http://nraomir.blogspot.com/search/label/Human>).
- [4]. Kamran Nazari, Saber sharifi, Hameidreza hatamikhhi bari, and Behrooz sohrabi (2012). The Role of Information Technology in Human Resource Management Function. *Journal of Basic and Applied scientific Research* 2012, Text Road Publication.
- [5]. Peter Baloh and Peter Trkman (2003). Influence of Internet and Information Technology on work and Human Resource Management. *Information science-June* 2003.
- [6]. Sharyn, D. Gardner, David, P. Lepak, and Kathryn M. Bartol (2003). Virtual HR: The impact of information technology on the human resource professional. *Journal of vocational behavior*. 63 (2003) 159-179.
- [7]. Usman sadiq, Ahmad Fareed khan, Khurram Ikhlq, and Bahaudin G. Mujtaba (2012). The impact of information systems on the performance of Human Resource Department. *Journal of Business studies Quarterly* 2012, Vol.3, No.4 pp 77-91. ([jbsq.org](http://jbsq.org)).
- [8]. Vivek, M. Patil (2009). *Information Technology in veterinary Science*. New India publishing Agency, New Delhi.
- [9]. <http://www.morisonmenon.com/hr-and-technology.php>