INTRODUCTION

Human resources information systems (HRIS) is any technology that is used to attract, hire, retain, and maintain talent, support workforce administration, and optimize workforce management (Tannenbaum, 1990). Examples include computers, Internet (Web and e-mail) or other technological means of acquiring, storing, manipulating, analyzing, retrieving, and distributing pertinent information regarding human resources (HR). This chapter examines HRIS’ impacts on operations, relationships, and transformations of local government organizations.

BACKGROUND

Information technology (IT) investments in HR have traditionally focused solely on their role of reducing costs and automating tasks (Lepak & Snell, 1998). Historically, IT has been adopted in HR as an attempt to substitute capital for labor (Snell, Pedigo, & Krawiec, 1995). There was a tendency for employers to view HRIS as a “quick fix” rather than a systematic solution (Keebler & Rhodes, 2002). Automating existing processes with IT without a strategic direction has been described as paving “cow paths” (Snell et al., 1995). For example, employers may simply add some Web-based technology to their preexisting processes while leaving everything else the same. They essentially go for the “low hanging fruit” in the implementation of HRIS; as a result employers see some costs savings, but not the total amount that was envisioned. In this chapter, survey findings indicated that stressing the operational benefits of HRIS may be misguided, since the major benefits are found in the relational and transformation aspects of its adoption.

HR departments can use the Web as a medium for a self-service HR function. Research shows that Web-based self-service reduces staff, improves timeliness, and improves accuracy of HR data (Lippert & Świercz, 2005; Towers Perrin, 2001). There are benefits and costs of Web-based self-service to employees and managers. The benefit of HRIS is that employees using self-service functionality of the Web for HR information and/or services can easily update and verify information, consult
online lists of internal job vacancies, access government employee handbooks, and receive notices about upcoming training sessions. Managers can analyze job candidate profiles online, construct salary models, view benefits programs, monitor employee absentee trends, and retrieve government labor regulations and forms for compliance.

However, one of the byproducts of this Web-based self-service model is that it empowers employees to have access to their personal information as well as the responsibility of ensuring that data in the HRIS is accurate and complete. The downside of this empowerment is that employee information can be compromised, which reduces the individuals technology trust of the storage and use of personal information (Lippert & Swiercz, 2005).

OPERATIONAL, RELATIONAL, AND TRANSFORMATIONAL IMPACTS OF HRIS

Phases of adopting HRIS have been classified into three stages (Kovach & Cathcart, 1999; Shrivastava & Shaw, 2003; Snell, Stueber, & Lepak, 2002). The first phase is the operational impact of IT of automating routine activities, alleviating the administrative burdens, reducing costs, and improving productivity internal to the HR function itself. The second phase, after the operational impact of IT is the relational impact, is providing managers and employees’ remote access to HR databases and services, reducing response times, and improving service levels. Finally, the transformational phase of IT is the redefinition of the scope and function of the HR organization to focus more on strategic issues (Snell, Stueber, & Lepak, 2002; Yeung, 1995).

Operational Impacts of HRIS

For many organizations, the starting point for IT utilization within HR focuses on improving operational efficiency. Given the heavy administrative burden within HR, efforts to automate record keeping and routine clerical activities such as payroll and benefits administration makes sense. By eliminating paperwork, automated systems have the potential to reduce organizational overhead and generate significant costs savings (Snell et al., 2002). IT can help reduce costs and improve productivity by automating routine tasks and practices (Lepak & Snell, 1998). The operational impact of HRIS is often one of the first arguments presented to gain project support and funding.

Relational Impacts of HRIS

The operational impact of IT focuses on efficiency and productivity improvements internally within HR. IT also influences HR’s relationship externally with other parties within the organization. IT allows HR to enhance service by providing managers and employees with remote access to HR databases, supporting their HR-related decisions, and increasing their ability to connect to other parties. By making information accessible online, HR can eliminate waste, improve decision quality, and enhance flexibility and customization. However, some have argued that this disintermediation within HR may simply shift the burden of administration back to line personnel overloading them (Snell et al., 2002).

The relational aspect of HR implies increasing the timeliness and service levels with employees and managers, as well as outside parties. By providing managers and employees remote access to HR databases and information, and increasing their ability to connect with other parts of the organization as well as outside service providers; managers and employees can perform HR activities themselves, thereby reducing response times and improving service levels (Lepak & Snell, 1998).

Transformational Impacts of HRIS

While IT can improve operational efficiency within HR and enhance relational connections with personnel and individuals outside the organization, the transformational impact of IT involves fundamental changes in the scope and function of the HR department (Gardner, Lepak, & Bartol,