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 & Swiercz, 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 govern-
ment 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 govern-
ment labor regulations and forms for compliance.

However, one of the by products of this Web-
based self-service model is that it empowers
employees to have access to their personal infor-
mation as well as the responsibility of ensuring
that data in the HRIS is accurate and complete.
The downside of this empowerment is that em-
ployee 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; Shriv-
astava & 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 func-
tion itself. The second phase, after the operational
impact of IT is the relational impact, is provid-
ing 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 opera-
tional efficiency. Given the heavy administrative
burden within HR, efforts to automate record
keeping and routine clerical activities such as pay-
roll 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 exter-
nally 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 deci-
sions, 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 disinterme-
diation 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 pro-
viding 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 provid-
ers; 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 organiza-
tion, the transformational impact of IT involves
fundamental changes in the scope and function
of the HR department (Gardner, Lepak, & Bartol,