

HRMS - A key Strategic HRM Partner for Organization Business Growth.

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Abstract-- In today's knowledge-base economy, technology is playing a key role in shaping up every business functions. Among different business functions, the Strategic HRM is becoming more important for any organization to grow. The strategic HRM key roles are Employee Advocate, Change Agent and HR Business Partner. Again the technology can add value to the performance of the Strategic HRM. Proper utilization/ upgradation of HRMS to support the key roles of HR can be worth to recommend. The features of HRMS are well advanced and useful among the various HR systems like HR Payroll, HRIS and HCM. The paper provides a profound conceptual knowledge about applications of HRMS for efficient decision-support-system and a key HR-technology-partner for organization financial performance. It is advisable to refer, utilize/ upgrade the important features of HRMS for better outcomes of strategic HRM like skill inventories, absenteeism, turn-over ratio, retention ratio, job satisfaction ratio, succession planning and other. The objective is to make aware about the need of advance features of HRMS to improve strategic HRM practices. The scope includes the conceptual and theoretical understanding about HRMS features for daily Strategic HRM. The suitable findings are achieved from the available secondary data and literature review. To the HR, the paper provides the precise learning about the applications of HRMS to help organization increase its productivity, employee development & satisfaction. It guides the organizations that need HRMS for financial growth by leading with Strategic HRM. The paper adds value to the existing systems like HRIS and HCM. Upgradation of the existing HR system into HRMS can prove to be a feasible optimal decision. Practical implications based on the primary data are still open for a researcher. Finally, HRMS can be a Win-Win for Employee and Employer.

Keywords: Strategic HRM, HRM Tech System, HRMS, HR-technology-partner, decision-support-system.

Introduction

Looking at the current scenario it is identified that the technology is playing key role to support different business functions of the organization. Advance technology in Web & Mobility has been utilized as a key driver for different business functions of organizational growth (Liang, You, & Liu, 2010) since its emergence in the past centuries (Harris & Nelson, 2008). It can be concluded from the resource-based theory of Wright and McMahan (1992), Barney's (1991), that IT and HR are the two key resources that adds the value of the organizations' other resources to improve its financial performance Bhuiyan, F., Rahman, M. M., & Gani, M. O. (2015). Taking reference of (Maiorino, 2014., Rietsema, 2018) the paper is a sincere attempt to guide HR People and the top management of an organization about the applications of HRMS for the strategic business growth. Again it is identified that many in the industrial market as vendors, marketing professionals and analysts seem to interchange the use of the terms HRIS, HCM and HRMS when promoting their HRM technology solutions. It needs better clarity of understanding the need of these terms for its effective results and outcomes. The paper is conceptually designed to make aware about these terminologies and to understand the realm use of HR Technology Solutions in benefit to Organization Performance. According to Singh, S. (2014), HRMS provides the vital information to strategic HR planners to forecast future workforce demand and supply; which in return helps organization in retaining the right employees. The HRMS also supports in creating sustainable and competitive pay benefits. At the functional level, HRMS can monitor records of employees, applicants, and all employee specific information like qualifications, demographics, performance, training, payroll, recruitment, and retention (Harris and Desimone, 1995; Troshani et al., 2011). With HRMS, the operational efficiency maintains faster information processing, improved communications among employees, and higher information accuracy (Overman, 1992; Beadless, et al., 2005), reducing HR costs and overall HR productivity improvements (Beadles et al., 2005; Dery et al., 2009; Wiblen et al., 2010; Troshani et al., 2011). Hence, HRMS helps strategic HRM planning to get the right people with the expected skills, experience, and competencies in the right jobs on time and at the feasible cost. The following literature review determines the applications of HRMS for strategic business growth of an organization.

Literature Review:

As said by Bhuiyan, F., Rahman, M. M., & Gani, M. O. (2015), Today a technology has been used as a key driver for different business functions of organizational growth (Liang, You, & Liu, 2010) since its emergence in the past centuries (Harris & Nelson, 2008). Technology adds the value to the organization resources and capability (Bharadwaj, Bharadwaj, & Bendoly, 2007) that ultimately boosts up the firms' performance (Liang et al., 2010). On the other hand, Wright and McMahan (1992), based on Barney's (1991) resource-based theory of firm, concluded that firm can enjoy sustained competitive advantage if its existing HRM business process met the four attributes like valuable, rare, inimitability and non-substitute. So, it means that IT and HR are the firm's two key resources that adds the value of the firms' other resources to improve its performance. Advancement in technology have transformed the HRM functions within organizations (Eddy, Stone, & Stone-Romero, 1999; Kovach & Cathcart, 1999; Shrivastava & Shaw, 2003). Now-a-days, many organizations have adopted HRM Tech System to support HR operations (Lengnick-Hall & Moritz, 2003). While, Chugh (2014) mentioned that HRM Tech System reduces the workload and minimize the repetitive administrative tasks. After all, HRM Tech System applications like HRIS/HCM/HRMS in business, increases the efficiency of HRM business process (Beadles et al., 2005; Black & Porter, 1996; Maier et al., 2013; Slavic & Berber, 2013). The HRM Tech system helps in strategic operations of HR related decisions and improves job satisfaction (Maier et al., 2013). The need of HRM Tech System is to support administrative as well as strategic HRM outcomes (Maier et al., 2013). According to Das, K. K., & Ara, A. (2015), the key reason why HRM Tech System like HRIS/HCM/HRMS exists is to strengthen the strategic objectives of the organization and ensure accurate information to effectively support the HR decisions with minimum time and cost. From the study of Chao, C. H. (2011), the study of *conceptual definition* of HRMS proposed by Jun-Long Hong (2002): "the complementarities among HRM initiatives that hopefully will strengthen an organization's overall operating performance through beneficial interactions in an ongoing effort toward innovative- and value-oriented goals". Jun-Long Hong (2002) also said that HRMS positively affects intellectual capital growth of an organization. As per Shiri, S. (2012), the sophisticated HRMS in the form of stand-alone products and ERP (enterprise resource planning) system gives HR department the ability to effectively and efficiently manage

the strategic operations to achieve organizational business goal. Beadles, I. I., Aston, N., Lowery, C. M., & Johns, K. (2005), Studied on the potential benefits of HRM Tech System even goes as far as to suggest that there is evidence that it can improve shareholder value (Brown, 2002). It is also believed by few experts that easy access to imperative information will become an integrated part of many strategic decision-making process (Kovach, Hughes, Fagan, Maggitti, 2002). Singh, S. (2014) said the strategic value can be determined by utilizing HRM Tech System like HRIS/HCM/HRMS that assist decision-making concerning essential HR functions (Farndale et al., 2010; Troshani et al., 2011).

Strategic HRM Practices and Technology Support:

In strategic management the role of HRM is to design and develop a plan for business strategy to achieve competitive advantage (Chand, n.d.). Every business functions viz., human resources, marketing, finance and production operations are required to be aligned with this strategy to fulfill the organization strategic business plan (Vyas & Junare, 2018).

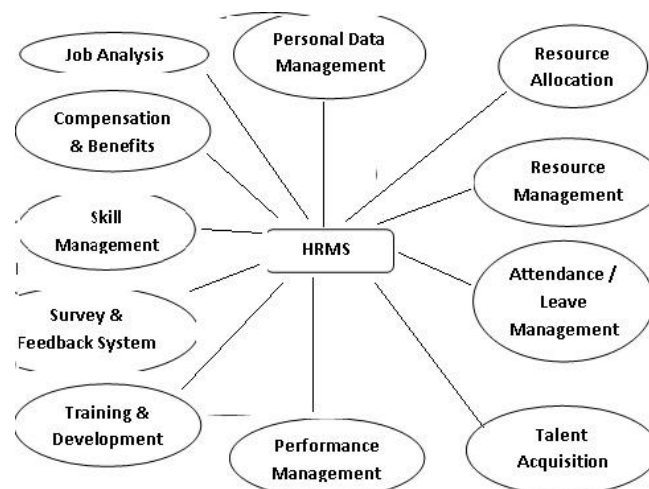


Figure1. Strategic HRM Functions (Vyas & Junare, 2018).

Figure1. depicts the key functions of Strategic HRM like HR Planning, Managing Employee Relations, Recruitment & Retention (R2R), Compliance Handling, Training & Development, Health & Safety at workplace, Employee Compensation & Benefit, Succession Planning, design Creative Payroll and to optimally utilize the resources in achieving organization business growth. In relations to these functions the important outcomes of Strategic HRM practices could be:

Improved performance, Employee & Customer Satisfaction and Increase Shareholder Value (Brown, 2002, Bersin, 2017). The approach of strategic HR practices may vary depending upon the type of industry and the type of performance to be achieved. According to Byremo, C. S. (2015), there are three different categories of performance: (1) Employee Attitude & Behavior, (2) Operational and (3) Financial and Market. To achieve this performance regularly it has become necessary to utilize suitable HR technology system to support the emerging responsibilities and key functions of Strategic HRM.

Technology Architecture of Modern HRM:

HRM Technology Architecture of Today									
White Collar		Senior Leaders		Candidates		External Network			
	Hourly		Line Managers		Contractors				
Teamwork		Leaderswork			Peoplework				
Self Service (ESS/MSS)		Case Management	AI Voice	App Interfaces		Intelligent Services			
Sourcing Recruitment Assessment	Learning Career Coaching	Performance Goals Achievement	Engagement Feedback Recognition	Wellbeing Rewards Benefits	HRMS Payroll/Time Management	HR Analytics/AI workforce Management			
Business Partners		Talent Specialists(OD, Sourcing, Recruiting, Learning, network of excellence)	Wellbeing & Safety, Employee Engagement, Rewards & Recognition	Analytics, WF Planning, HR Bots Intelligence,	Compensation & Benefits Rewards	HR Tech App Development	HR Professional Development	Research & Market Best Practices	

Figure2. Technology Architecture for Modern HRM (Bersin, 2017)

Adopting suitable HR technology system will support the emerging strategic HRM roles like HRBP (Human Resource Business Partner), Change Agent and Employee Advocate. Hence, implementing the suitable HR technology system in support to those strategic HRM functions/roles can add value to achieve organization business goals.

HR System as a technology partner of strategic HRM

Shift from Traditional to Modern Workforce Management			
Automated Talent Management	Integrated Talent Management	Engagement Fit, Culture Analytics	Productivity, Performance teams
Talent Management		People Management	Team & Work Management
Practice-Driven solutions		Empowerment solutions	Productivity-driven solutions
Automate 1990-2000	Integrate 2004-2012	Engage 2012-2017	Perform 2018+

Figure3. Shift from Traditional to Modern Workforce Management (Bersin, 2017)

According to Maiorino, (2014), the available HRM technology systems are HR Payroll Calculator, Human Resource Information System (HRIS), Human Capital Management (HCM) and Human Resource Management System (HRMS). Among which HRMS is more suitable in support to strategic HRM key decisions and make organizations innovative, cost effective and efficient.

Need of HRM Technology System

As suggested by Bondarouk, T. V., & Ruël, H. J. (2008). The HRM technology system supports an HR functions to achieve the desired HR Solutions for organization business growth. HRM technology system can be conceptually based on HR: Philosophy, Policies, Programs, Practices and Processes (Schuler, 1992); Other System Architecture, Policy Alternatives and Practices (Becker and Gerhart, 1996); or Similarly HR Philosophy, Policies, and Practices (Lepak et al., 2004). HRM technology system covers three HR Instrumentation Tool for HR Policies and Practices:

- a) **Motivation:** Inspire employees to adopt and work with HRM Technology System.
- b) **Abilities:** Ensures learning and development of skills for employee to use the HRM technology system.
- c) **Opportunities:** Encourage, guide and support employees to work with HRM technology system.

Evolution of HRM Technology System (HRMS) Gupta, B. (2013):

As stated by (Rouse, 2018), beginning with the late 2000, HRM technology system has developed rapidly in recent years, with large and global employers adopting it from highly recognized enterprise software companies such as Oracle and SAP, as well as specialized HR tech vendors. Many of these employers are migrating to cloud platforms to access their employees' performance, and track accomplishments regardless of their location. Meanwhile, large numbers of small and mid-sized employers are also adopting the change and transforming their existing HRM functions into commonly cloud-based HR Tech solution. Currently, most of the HR Tech vendors are offering their solution in Web & Mobile App. Hence the adoption of HRM Technology system is growing.

Traditional view of HRM Technology System

Initially, HRM System was based on client-server technology to receive information required to make efficient decision for HRM functions. Before, HR functions were more into executing different administrative operations. The HR Tech was majorly used to derive and manage information about the HR Admin Operations with negligible support to strategic HRM. And the HR Tech supporting this administrative role is popularly called “Human Resource Information System (HRIS)”.

Modern view of HRM Technology System

It is the continuing challenge to believe that “it is not technology, but the art of human and human- management.” (Drucker, Dyson, Handy, Saffo & Senge 1997). Similarly, Smith and Kelly (1997) believe that “future economic and strategic advantages will rest with the organization that can most effectively attract, develop and retain a diverse group of the best and the brightest human talent in the market place.” With the changing time, the role of HR is upgrading to strategic from administrative. The strategic HR planning is enhanced with Creative Payroll, Retention Plan, Talent Management, Absenteeism Management, and all other HR functions that directly or indirectly contributes’ into achieving an organization financial performance. The Modern HR Tech consists of different analytics reporting structure, available with Web & Mobile Solutions in Cloud. It is utilized to make key decisions to gain productivity and optimize the cost of operations. The Modern HR Technology system supporting strategic HR function/role is popularly called “Human Resource Management System (HRMS)”. HRMS being a next generation HR Tech System became ‘best of breed’ for the industry. In 2014, companies started to adopt HR mobility.

According to Rietsema, (2018), the HR Mobility has further transformed the landscape of HR, putting information and task management at the fingertips of employees and managers. HRMS has “flatten” many organizations and helped to effectively break down bureaucracy. Since 2015, HR Tech System users got acquainted with an employee engagement strategy to motivate employees with rewards and recognitions. MSMEs had better feasible options like SAP B1 and Odoo (Open Source) providing HRMS Solution. Large enterprises started upgrading their system from traditional SAP HR system towards SuccessFactors, Workday, etc available in the market with Modern HR strategic functions. Adding value to the

existing HR Tech System is updated with additional supporting features like video hiring allowing managers to attract and acquire talent without geographical limitations. In the near future, HR Tech System is expected to reinvent its capacity, boost efficiency with more personalized and candidate-centric recruiting, streamlined interfaces, and automation of more strategic HR-related decision making processes that are currently still being performed manually.

HRMS: Key Strategic Partner of HR Manager

A Human Resource Management System (HRMS) is among the standalone modules of enterprise resource planning (ERP) system. It is an information system integrated with HR-specific business processes that supports strategic HRM routine operations to achieve organization financial goals. HRMS cover all traditional and strategic tasks associated with HR, including tracking & improving process efficiency, managing organizational hierarchy, and simplifying financial transactions of all types. In short, the enhancing role of HR being more strategic, HRMS evolved to fit these needs. (Maiorino, 2014, Rietsema, 2018)

How HRMS is different from the existing systems: HRIS and HCM

As mentioned by Rietsema, (2018) many in the industry as vendors, marketing professionals and analysts seem to interchange the use of these terms when promoting their HRM technology solutions. It requires better clarity of understanding to identify the need of these acronyms for its effective results and outcomes. This paper is a sincere effort to make aware about these terminologies and to understand the use of HR Technology Solutions in benefit to Organization Performance.

Acronyms for HR Technology System	HRIS	HCM	HRMS
Feature List	Recruitment	HRIS	HRIS
	Core HR Administration & Employee Management	Onboarding	HCM
	Compensation & Benefit	Performance and Goal Management	Payroll Management
	Absence Management	Position Control / Budgeting	Time & Labor Management
	Training & Development	Succession Planning	(...)
	Workflow	Salary Planning	
	Self-Service (ESS/MSS)	Global capabilities: multi-lingual, multi-currency, country-specific formatting and possibly localization	
	Reporting	Analytics	

Table1. HR Tech System acronyms in brief Rietsema, (2018).

Below is the brief understanding of these acronyms:

- Human Resource Information System (HRIS):** It is designed to manage people, policies and procedures.
- Human Capital Management (HCM):** It includes every modules of an HRIS, and adds Talent Management and Global capabilities with Analytics.
- Human Resource Management System (HRMS):** Rietsema, 2018 stated that although being more effective for strategic HRM Operations, the acronym HRMS is sometimes used synonymously with HRIS (Human Resource Information System), as HRMS includes all functional features of HRIS. Rebranding by many

companies has worked to make the different software titles generally indistinguishable for strategic HRM Tech System. It is advised to adopt HRMS for strategic HRM Operations in an organization to gain financial performance. Still, a common query from all the buyers can be: “Which of the above is a Right Solution?” Mostly all businesses can benefit extremely from HRIS, HCM and HRMS but the vendors must suggest the user to invest a little time and effort into need identification for the Right Selection of the Product.

Need of HRMS:

With emerging role of HR as a Change Agent / Business Partner/Employee Advocate, the technology is a must solution for HRM to make critical strategic decisions. For those Companies already having HR Tech System need to upgrade into HRMS for administrative and strategic features to support HR Planning and achieve financial goals of the organization. Karikari, A. F., Boateng, P. A., & Ocansey, E. O. (2015). There are several rationales for using HRMS in organizations. Thite, M. and Kavanagh, M.J. (2011) seem to suggest that: Following its primary objective the HRMS gives holistic knowledge about HR operations which can be shared among departments/units within the organization; it provides opportunity for companies to gather data to improve on time and quality of strategic decision making; it also provides variety of reports to improve administrative functions in its broad sense. Rietsema, (2018) suggested that before selecting any HRMS solution, it is essential that the organization management team and specifically HR professionals have to take a lead to identify the need to adopt the system for long term benefit. Organization may even take guidelines from HRMS consultants to select suitable HRMS solution. As per Karikari, A. F., Boateng, P. A., & Ocansey, E. O. (2015), and Singh, S. (2014) the different types of HRMS are as follow:

- a) **Operational HRMS:** It offers standard data to support routine and repetitive human resource decisions. The data is in form of detailed, structured, accurate and internal information.

Features it includes:

- Employee information system
- Staffing
- Performance Management (PMS)

- b) **Tactical HRMS:** To emphasize the allocation of human resources it supports the management key decisions related to recruitment; job analysis and design, training and development, and employee compensation plan.

Features it includes:

- Recruitment & Talent Acquisition.
- Training and Development of Employee.
- Compensation and Benefits.
- Job Analysis and Design.

- c) **Strategic HRMS:** It supports top management to set short/long term goals and vision for organization.

Features it includes:

- Analytics as DSS decision-support-system
- HR Planning for workforce management
- Skill Inventories
- Competency Mapping
- HR Survey & 360/720 degree feedback system
- Video Hiring
- All features of HRIS & HCM

Model of HRMS: Aggarwal, N., & Kapoor, M. (2012), observed from the HRM Tech System model that it has three set of components, which are Input subsystem, HRIS database, and Output subsystem. Kovach et al., (1999) presented the three major functional components in any HRIS by giving the model below:

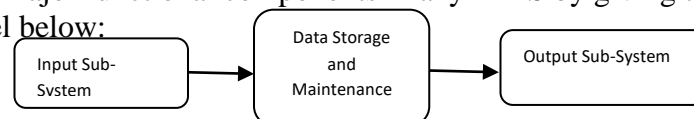
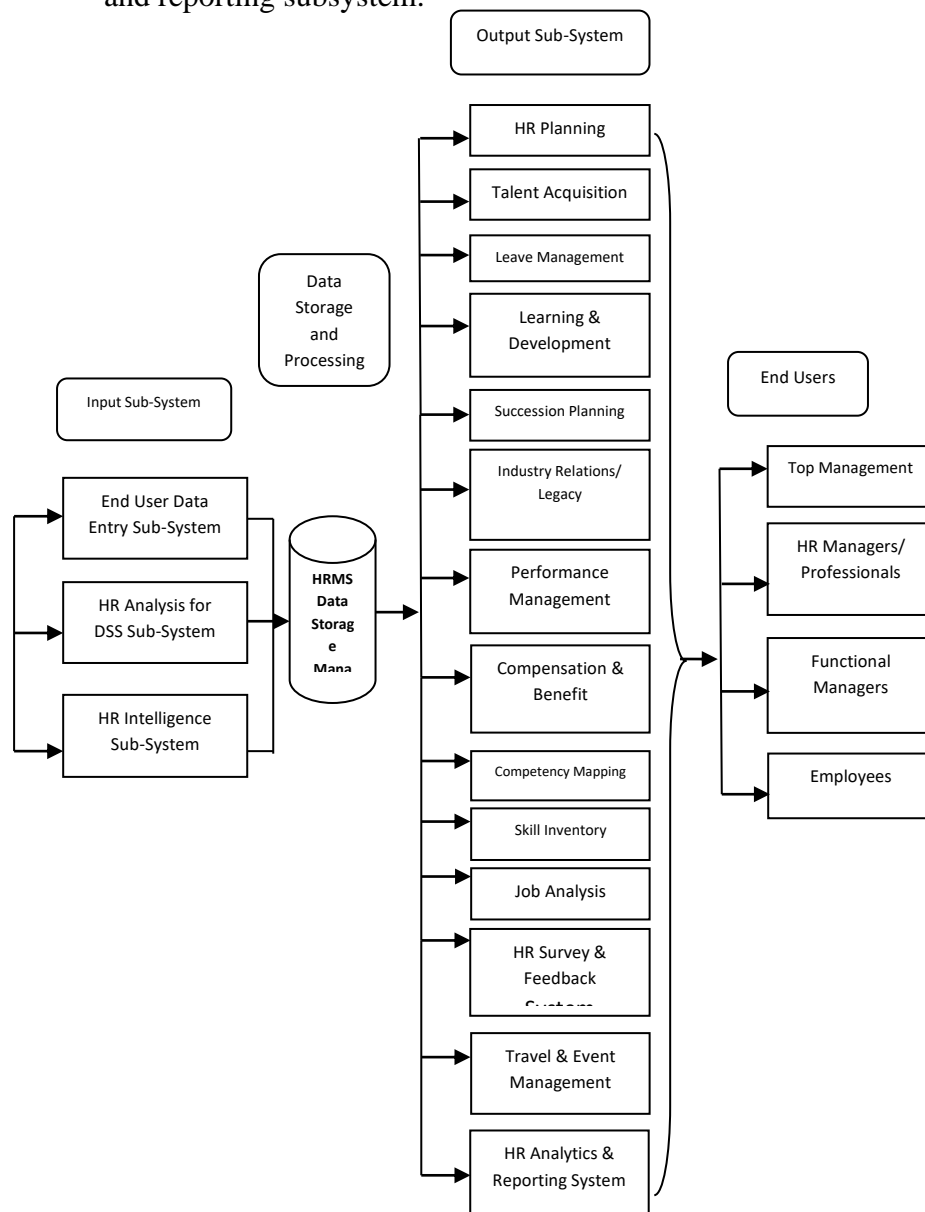


Figure 4: Functional components in any HRM Tech System Source: Kovach et al (1999)

According to (K. Kovach & Cathcart, 1999), many of HRM Tech Systems are available from different vendors like software enterprises, consulting firms, as well as company's own system developers. However, many HR Managers select and use sub-systems to provide IT supportive HR services. The components of any HR Tech System consist of: a) Input b) Data Maintenance and c) output (Figure 1). Here, is a model of HR Tech System with a reference taken from the HR system constructed by Hyde and Shafritz (1977), Simon (1983), Andrew Manzini and John (1986), and Raymond McLeod, JR. and Gerardine Desanctis (1995), Kovach et al. (1999). The figure shows the resource flow of HRM Tech System model by Raymond (1995).

- A) Input subsystem:** It includes the input for data processing, HRM analytics and research. The input data can be transformed into the required reports format.
- B) HRIS database:** All the data and information are stored in server. The RDBMS (Relational Database Management system) can help to perform the maintenance process.
- C) Output subsystem:** It consists of all the output related to HR Planning, staffing, compensation and benefit, performance management, job analysis, training, analytics and reporting subsystem.



**Figure 5. Model of HRMS for Organizational Functioning
as defined by Mohan Thite, M. J. (2009).**

Singh, S. (2014), Gupta, B. (2013) defined the role of HRMS functions in an organization at current scenario as, In general, the key function of the organization HRM Unit involves talent acquisition, managing employee histories, identifying and developing skills, abilities, compensations, benefits, performance and accomplishments. Each module performs a separate function within the HRMS that helps with information gathering or tracking.

Key Functions of HRMS System as defined by Obeidat, B. Y. (2012) and Singh, S. (2014):

Strategic Integration: HRM Tech System improves HR Planning which impacts on gaining Organization performance and efficiently transforms the HR Operations (Ordonez de pablos, 2004; Katou and Budhwar, 2006; Troshani et al., 2011). The HRM Tech System supports to design and execute strategic policies and procedures which ensure the HR Manager to accomplish business goals (Boateng, 2007; Troshani et al., 2011).

Human Resource Analysis: Modern HRM Tech System like HRMS have better UI/UX Analytics features like Dashboard that supports the HR Manager and Top Management to get all information quickly and easily which further helps for the management to take better decisions on time. This reduces the cost of operations in total.

Personnel Development: Through this function, an organization identifies the gap of skill set of an employee; accordingly, plan for the most appropriate training and/or development pedagogy to use to improve the skill set (Dessler, 2013). The gap of skill sets can be determined using a peer review of an employee performance, appraisal, feedback system, skill inventory, competency mapping, job analysis and career path development which all can be accomplished through an HRM Tech System (Lippers and Swiercz, 2005).

Knowledge Management: HRM Tech System like HRMS is mostly created for knowledge management of HRM. To construct the organization with more profitability and effective it is a need to control the personnel data available from HRMS. Furthermore, HRMS makes vital contributions to knowledge management by enhancing learning and development within an organization. For example, HRMS facilitates learning feedback that enables organizational change, intra organizational communication, decision-making, and shared views. (Argryis and Schon, 1996; Mayfield, et al., 2003).

Communication and Integration: Inter-organizational communication supports and coordinates different organizational development activities as well as change management (Mayfield, et al., 2003; Casico, 2006). In this function, an appropriate HRMS involves a communication mechanism suitable for internal and external customers of an organization (Mayfield, et al., 2003).

Forecasting and Planning: It helps to transform the input of an HRMS into its analytical feedback about organizational goals for future personnel and skill set needs (Mayfield, et al., 2003). HRMS technology supports strategic HR planning by creating work force supply and demand needs, requirements and forecasting (Lippert and Swiercz, 2005).

Records and Compliance: Records and compliance function provides very important data for knowledge management to meet both legal requirements that mandate specific information retention, and to represent a database that is aligned with other HRMS functions (Mayfield, et al., 2003)

As per Gupta, B. (2013), Jahan, S. S. (2014), HRMS plays a key role in contributing into Strategic HR Operations. It benefits to all different areas in Organization, Categorized as below:

A. Benefits for Top Management:

- Efficiently helps to take strategic decisions.
- Maximizes Profitability and Reduces Cost.
- Helps to develop long term vision with transparency.
- Supports into Recruitment to Retention Process.

B. Benefits for HRM:

- All employees in the company can have central and secured access information.
- Trusted digital tool with accurate information availability on time for strategic planning and decision.
- Offers system transparency eliminates the possibility of human errors.
- With properly managed MIS system it improves the legacy system.
- Helps in reducing HR Operational Cost and Increases HR Efficiency.

C. Benefits for Employee:

- Helps in optimizing the time for performing routine operations.
- Independent and authenticated access to information, rights managed securely for each employee.

- Develop a transparency between Employee and Top Management.
- Centralized, Secured, Flexible & Portable access of the HR System installed into Cloud & Mobile Apps.
- Timely notifications to manage business transactions and each event.
- Evaluation of individual performance, knowledge management becomes effective and improves skills via training and development.

Key features of HRMS as stated in ("5 Ways An HRMS Solution Can Benefit Your Organization", n.d.):

1. **Administer Payroll** – It accurate and timely payroll management for employees. It easily handles all legacy system for compensation and benefit that includes salary, allowances and over time rates existing in an organization through its well-defined formulae.
2. **Managing common administrative tasks** – It is often seen that peer handling of time consuming tasks like travel reimbursement, change/update in employees' personal information, expense reporting etc increases cost of labor. HRMS provides assistance to manage such time consuming tasks and save the time for HR Manager to focus on strategic issues.
3. **Talent retention** – HRMS helps to design employee recruitment to retention strategies. If attrition rate is high in an organization, HRMS will support HR Manager with suitable analytical information to come over this problem.
4. **Manage leave entitlement** – Without any hassle, HRMS accurately administers absenteeism and leave management tasks like leave entitlement, leave encashment, total number of leaves taken and the balance left. Absenteeism is an important strategic element of HRMS function to evaluate job satisfaction.
5. **Performance management** – HRMS efficiently simplifies appraisal process by taking KPAs and KRAs into accountability. It gives a more clarity and unbiased output of attendance and punctuality of every employee.
6. **Streamlines the recruitment process** – HRMS effectively manages staffing process by tracking the all the end to end records like applications received for a job posting, shortlisted candidates and interviews conducted till the appointment of an appropriate candidate.

7. **Effective communication** – HRMS facilitates a healthy relationship between the employee and the company by providing a transparent and easy flow of communication between HR department and employees. It makes sure that all their concerns are promptly addressed by the company. HRMS makes the reporting system much easier and transparent that leads to healthy growth.
8. **Managing staffing requirements** – HRMS helps to determine the better candidate for the right job. It also manages to identify the vacant position that may be required to run the organization efficiently. It is well taken that for small medium enterprises the fulfillment of staff requirements will make this organization grow consistently.
9. **Medical allowances** – HRMS also takes care to track and maintain medical entitlements offered to the employees and their family members. Timely care taken by the system for employees will increase to satisfaction ratio.
10. **Employee training** – With the change in technology and process every employee needs to upgrade his/her skill sets. HRMS helps in identifying this gap of skills and guides in managing the training requirements of employees and monitors the effective cost required for training and development.
11. **HRMS portal & Mobility**– It provides mobility to facilitate the employees their all types of records related to different HRM functions. All information is maintained with authenticity and privacy access to each employee.

Information as provided by Gupta, B. (2013) and ("5 Ways An HRMS Solution Can Benefit Your Organization", n.d.), HRMS solution help organization in many ways like automating HR Processes, Providing Remote access through Employee Self Services (ESS) and Manager Self Services(MSS), Effectively Manages the Regulations, Eliminates Human Errors, Save Time and Cost that directly leads to Profit Maximization. The HRMS supports HRM operations and functions to achieving financial goals of organization.

HRMS FOR ORGANIZATION PERFORMANCE:

It has been concluded by **Clark (2000)** in his study that sales growth, profit maximization and market share are the measurement indicators used the most often by companies to measure financial performance of organization. The relationship between HRMS and Organization performance are

positively defined by Jia-Chi Huang (2000). Shareholders value can be improved by HRM Tech System (Brown, 2002). HRM Tech System helps into cost optimization in HR Operations; the return on investment (ROI) and specifically improves the productivity within the HR departments (Mayfield, Mayfield, and Lunce, 2003). Organization success is dependent upon the performance of HRMS (Lippert and Swiercz, 2005; Troshani et al., 2011). HRMS refers to the combination of HRM business operations, functions and technology. To increase the effectiveness of HRM for organization performance, organizations are becoming more dependent on HRMS (Ball, 2001; Lippert & Swiercz, 2005) and (Lippert & Michael Swiercz, 2005; Obeidat, 2012).

The Organization performance can be achieved based on three measurement indicators that are supported by HRMS:

- (1) **Customer Satisfaction:** Directly or Indirectly HRMS helps Organization to gain customer satisfaction, it helps to convey values to customers, reach out the customers' needs, and to retain valuable customers.
- (2) **Employee Satisfaction:** HRMS contributes in increasing the employee satisfaction ratio within the organization.
- (3) **Market Share and its Effectiveness:** HRMS helps to increase the market share, improve sales figures, directly or indirectly it adds value by increasing of new customers and sales.
- (4) **Profit Maximization:** Profitability of business operations, return on investment (ROI), return on sales, and ability to meet financial goals can be improved using HRMS.

With an appropriate HRMS, the HR manager enables employees to do their own benefits updates and address changes, thus freeing HR administration for more strategic functions. As referred in ("5 Ways An HRMS Solution Can Benefit Your Organization", n.d.) HRMS adds value to business operations by supporting strategic & administrative HRM functions, workforce alignment, learning & development and offers an effective solution for business process automation to achieve organization performance.

Influencing factors for adopting HRM Tech System

Al-Dmour, R. H., Love, S., & Al-Zu'bi, M. F. (2013) stated that there are many different factors that influence an organization to adopt HRM Tech System. Out of which the

Influencing Internal Environment Factors are: Organization readiness and competency that includes organization technical support to set up IT infrastructure, Organization structure like its centralization, specialization, institutionalization of HRM, Employee Structure and Knowledge & Skill level, Organization demographic characteristics like organization size, experience with technology, business type, Top management support and commitment. As the HRM transforms from administrative to strategic, the need to implement the suitable HRMS becomes more vital. Additionally, the emerging role of HRM as identified by Ulrich (1997) are Administrative Expert, Employee Advocate, Change Agent and Strategic Business Partner is more likely to influence the adoption and execution of HRM Tech System and its effective practices (Ulrich, 1997; Lepak & Snell, 1998; Lengnick-Hall & Moritz, 2003; Bakker, 2010).

HRMS Implementation Guidelines for the potential need of the organization

Taking reference of Jahan, S. S. (2014), here is an attempt to provide brief on the steps to implement HRMS for the potential need of the organization. The following steps are involved in developing and implementing an HRMS or any HRM Tech System like HRIS/HCM:

Step 1: Initiation of Concept/Idea about the system: The organization has to identify the need and requirements with inception of the concept about the system. It is important to understand the difference between different HRMS Tech System like HR Payroll calculator, HRIS, HCM and HRMS.

Step 2: Identifying the Need Analysis and Feasibility Study

Based on the need and requirement suitable HRM Tech System can be built or ordered. IT requires feasibility study for quality delivery. The HRMS should be a part of transforming process investment for long term business growth.

Step 3: Identify and Select suitable Implementation committee: Before implementation of HRMS the committee should perform feasibility study with quality delivery. The committee should work on setting up better policy, practices along with the capability and efforts of nominated team. The team members must be Techno-Functional HRM and IT unit of the organization. The committee must include people from top management and senior manager to ensure the achievement and Best Practices.

Step 4: Requirement Clarification and Documentation:

Proper clarity about the purpose, scope, and objective must be aligned with the organization and personal goals. Suitable documentation like System Requirement Specification (SRS) must be done for change management.

Step 5: Identifying Right Vendor: Decision to Outsource or In-House Development

The nominated committee may take decision to either purchase AS IS or Custom HRMS solution from third party vendor, or else they can involve in house team from IT unit to develop a complete system. Here, it is most important to understand that the development and implementation depends on the feasibility and plan of the concerned organization.

Step 6: Testing the system: For proper gap analysis, it remains important that the Organization must go with suitable V&V (Verification & Validation) process of system testing. Organization must deploy the final version only after testing.

Step 7: Training & Practices: After implementation end user training is required to get the effective outcome of HRMS. It must be well understood that the training is an initial part of successful implementation.

Step 8: Collecting system required data on regular basis: Once Implemented and trained, the user will enter the data in the System regularly. Each user role and authentication rights are setup for security purpose. Every data as required by the system has to be filled by the user regularly to make the reporting system efficient for decision making.

Step 9: Final Set-Up to start utilizing the system for daily HRM Operations

After user acceptance the system the system can be deployed on any of the available platform like cloud system for user based subscription packages, or else hosting the system within the server of the organization. The selection of the infrastructure for the deployment depends upon the feasibility.

Step 10: Maintenance and support for effective outcome: HRMS requires proper care and maintenance with regular updates and change management. Annual maintenance contract (AMC) needs to be done with the vendors for long term support and quality of expected results.

Step 11: Evaluation of the System
Important and enough time must be given To study the return on investment (ROI), the HRM Tech system must be evaluated to measure its effectiveness towards its achievement and contribution towards organization overall performance in long term.

Risk Factors and Challenges of implementation of HRMS:

Multiple risks and challenges exist to implement HRMS within the Organization. Although, those risks and challenges may vary upon the type of organization and its business environment. Some of the common risks and challenges identified as below are:

- Ownership and Responsibility among the employees.
- Unreasonable (Larger than Life) Expectations from the top management
- Change Management for process improvement
- Need of Training
- Set Up the suitable infrastructure for Configuration and Data transformation
- Quality support and timely maintenance to achieve Sales after Services

Against the risks and challenges there are few reasons of success to implement the HRMS:

- 1) Commitment from top management.
- 2) Effective need analysis for Feasibility Study.
- 3) Involvement of key techno-functional people from the top management, consultants and seniors from HR-IT unit of organization.
- 4) Focused, dedicated and capable project team committed to successfully complete the implementation life cycle with time, quality and cost parameters.
- 5) Effective communication and training to the users.
- 6) Acceptance by employee
- 7) Security Concerns
- 8) Cost of Operations
- 9) Technical Limitation

Recommendations and Suggestions : It is advised to design the strategy to develop the cross culture training of HR personnel. The cross cultural training is to make them learn cultural background and people and avoid conflict of interests. Motivation and recognition of the employees will remain the key factor for effective outcome of the HRMS execution. HR personnel have to be flexible to initiate as a change agent to adapt the HRM Tech System. Effective communication and technical training must be practiced to all the users for effective outcome of HRMS. Regular monitoring and feedback must be a part of best practice to gain the realm results of HRMS for achieving the business goals of organization.

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