

Human Resource Information Systems and Their Impact on Human Resource Management Strategies: A Field Study in Jordanian Commercial Banks

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Abstract

Purpose – The purpose of this paper is to examine the impact of Human resource information system (HRIS) on Human Resource Management Strategies.

Design/methodology/approach – The present paper develops a research model derived from up to date literature and then tests this model in (7) Jordanian Commercial Banks, chosen from (13) banks. Study's population consists of 185 persons from the higher and middle of management.

Findings – The Study exposed that HRIS had a significant effect at level ($P \leq 0.05$) on Human Resource Management Strategies in Jordanian Commercial Banks.

Research limitations/implications – This study could do good to from a large sample, from banks.

Practical implications – The current paper proposes convenient suggestions to the banking industry and management overall on how to run the impact of HRIS on Human Resource Management Strategies.

Originality/value – This paper has undertaken to make available a comprehensive view about the HRIS effect on Human Resource Management Strategies in the banking industry.

Keywords: Human Resource Information Systems (HRIS), Human Resource Management Strategies, Jordanian Commercial Banks.

1. Introduction

HRIS is defined as "an incorporated system utilized to collect, store and analyze information concerning an association's human resources embracing of databases, computer applications, hardware and software needed to "gather, record, store, run, and distribute" existing and employ data for human resources functions" (Hendrickson, 2003). From basic storage and communication of information to more complicated transactions, HRIS can perform a variety of functions. As technology progresses, the number of functions that HRIS can perform is growing. The utilization of Human Resources Information Systems (HRIS) has been promoted as an incentive for human resource practitioners to become strategic collaborators with higher levels of management. The idea was that HRIS could enable the HR feature to be much more effective as well as provide better decision-making information. The issue arise as to if HRIS has accomplished its goal (Beadles, Lowery & Johns, 2005).

2. Research Objectives

This study explores the impact of (HRIS) on Human Resource Management Strategies in Jordanian Commercial Banks. The question to address in this study therefore is "what is the impact of HRIS on Human Resource Management Strategies in Jordanian Commercial Banks?".

3. Literature Review

Many scholars indicated that the employ of HRIS might minimize the expense of HR by optimizing information and eliminating need for a significant number of HR workers; by allowing staff to monitor their own personal information; and by enabling managers to access specific information and data, interpret, make decisions and interact with others without referring to the HR specialist (Awazu & Desouza, 2003; Ball, 2001). Preferably, with the proper use of HRIS, few employees could be expected to conduct administrative work like data collection, and more time will be given access to HR administrators to help by supplying strategic-level information. All of these scholars consider the prospects to be promising for HRIS as it provides potential approaches for personnel and for the organizations that successfully adopt HRIS. Some research also extends so far as to say that there is proof that HRIS may increase share capital (Brown, 2002).

Human resource (HRM) concerns have been of considerable importance to administrators at all levels and they all reach their targets via the contributions of everyone else, that need productive human resource practices For instance, the comprehensive variety of HRM tasks, preparing, hiring, selecting, and development only to name but few position huge duties on both managers and directors. That included task analysis, employment requirements preparation, personnel selection, workers orientation and training, salary administration, engagement (that also covers consultation as well as supervising), and performance management (Dessler, 1999).

In reality, "HRIS is oriented at the Human resources department specifically (Ruël, Bondarouk & Looise, 2004), but the utilization of HRIS will bring a variety of opportunities not just to the HR system, as well as to senior managers and the long – chain" (Parry, 2009).

Through utilization of HRIS was suggested as a way for human resource experts to become strategic allies of top management. HRIS makes it possible for HR to match more effectively and have improved decision-making knowledge (Beadles, Lowery & Johns, 2005).

Obeidat (2012) concluded that the functions of the human resource information system have been found to have a relationship with the functionality of the HRM system. More precisely, it was noticed that strategic integration, estimation and planning, study of human capital, and contact and incorporation had no connection with human resources activities. At the same time as efficiency creation, organizational learning, and documentation and enforcement as aspects of human resource information systems have been found to be related to personnel capabilities.

Kovach et al. (2002) Identified many strategic and logistical benefits of exploiting HRIS. Correspondingly, Beckers & Bsat (2002) clarified at least five reasons why businesses ought to handle HRIS. These were that HRIS can:

- (1) Enhance competition through the enhancement of HR practices;
- (2) Generate a higher number and range of records relevant to HR;
- (3) Move HR's emphasis from transaction management to Strategic HRM;
- (4) Make the workers aware of HRIS; and
- (5) Redesign the whole organizational HR practices.

Current HRIS literature shows that they have varying impacts on HR among entities, and yet offers no justification for this difference. Recent reviews found that HRIS was primarily seemed to simplify repetitive processes and “to replace filing cabinets” (Martinsons, 1994). Ball (2001) indicated that HR had overlooked the strategic opportunities came up by HRIS. Other up to date analysis indicates a stronger utilization HRIS in approval of strategic decision-making via Human resource management (Hussain et al., 2007). However, the degree to which HRIS is used strategically, however, varies between associations, with the substantial majority of businesses seeking to use HRIS solely to eliminate traditional steps and control expenses. (Bee & Bee, 2002; Brown, 2002).

Many researches have said that businesses have begun to use highly developed HRIS such as training and development, performance control, salary management and business collaboration (Cedar Crestone, 2006; De Alwis, 2010; Saharan and Jafri, 2012).

(Khera & Gulati, 2012) in their survey, they clarified that the Human Resources Information System (HRIS) is not a modern phenomenon, but that it is evolving day by day from a changing climate. The primary function is in human resource planning which in every organization is itself a critical task. Unsuccessful "HRP" can lead to additional or less employee numbers than deemed necessary.

Crappy conditions can be generated both over and under the amount of workers. HRIS aids with appropriate human resource strategy. The emphasis of this paper is on HRIS's position in HRP. The survey is observational in nature as "127 respondents from the top 7 IT firms"

are taken to see the sights of the targets ("as per their market share").this study used the questionnaire to get results, after analyzing data it revealed that HRIS has several advantages, especially the ability to store data about workers and organizational personnel. HRIS as well aids with the administrative practices of HR managers and so on in the fields of preparation and development, succession planning, recruiting, procurement and manpower planning. Although evaluating the performance level of HRIS to HRP, it is presumed that HRIS is indeed very efficient and reliable in distinguishing filled and empty roles in the organization.

(Beadles, Lowery & Johns, 2005) in their survey, they noted that various scholars have proposed that the implementation of a Human Resource Information System (HRIS) can contribute to useful organizational performance. Reduced expenses, better collaboration and reduced time spent on mundane tasks might create a situation in which the department of Human Resources (HR) can take a more strategic role within the institution. This inquiry is an introductory attempt to decide whether these possible advantages have been understood by HRIS. Look at the response to a survey of human resource department at the searched sector; they realized that although it was helpful, HRIS still has not achieved its full capability in this sense.

4. Hypotheses of the Study

HO1: "There is no significant impact of Human Resource Information Systems on Human Resource Management Strategies in Jordanian Commercial Banks".

HO1.1: "There is no significant impact of planning HR Systems on Human Resource Management Strategies in Jordanian Commercial Banks".

HO1.2: "There is no significant impact of Staffing HR Systems on Human Resource Management Strategies in Jordanian Commercial Banks".

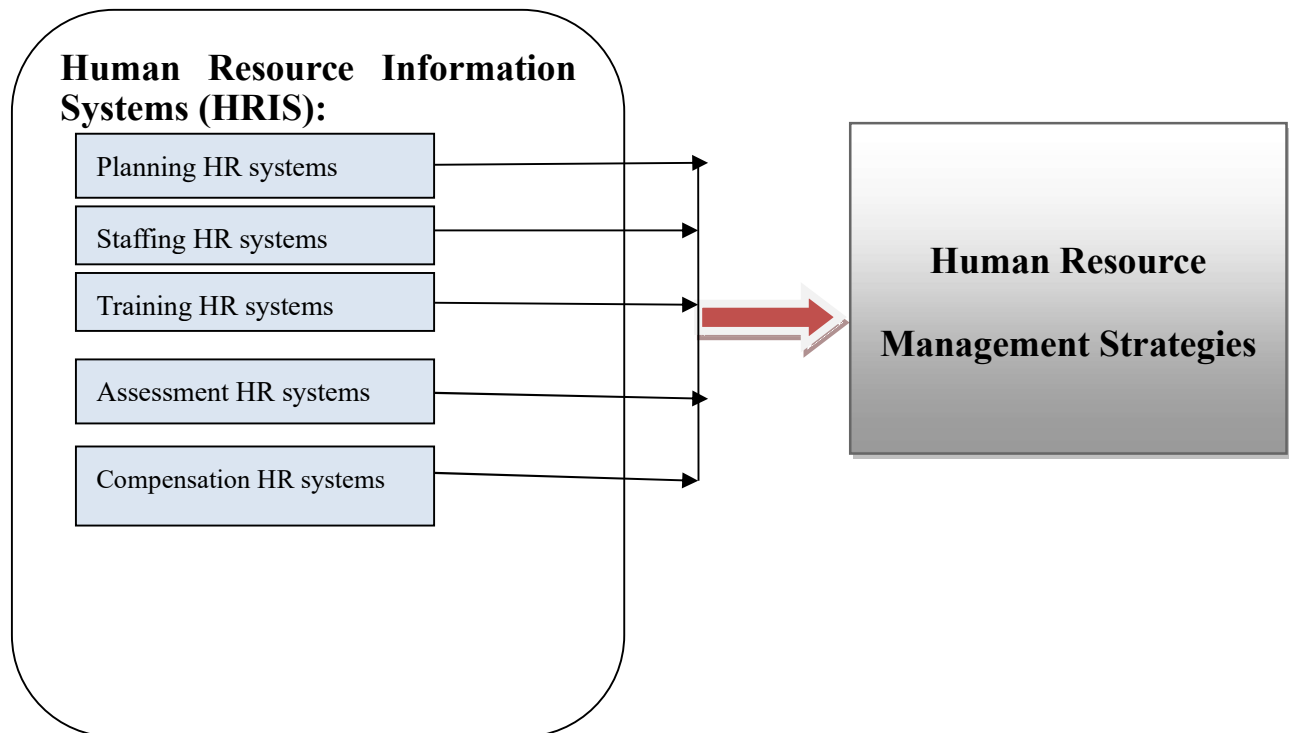
HO1.3: "There is no significant impact of Training HR Systems on Human Resource Management Strategies in Jordanian Commercial Banks".

HO1.4: "There is no significant impact of Assessment HR Systems on Human Resource Management Strategies in Jordanian Commercial Banks".

HO1.5: "There is no significant impact of Compensation HR Systems on Human Resource Management Strategies in Jordanian Commercial Banks".

5. Proposed Research Model

The current study designed a conceptual structure model consisting of two sections that represent the study model as seen in Figure (1). HRIS tasks are expressed in the first part of the model (independent- V), whereas human resources management strategies are expressed in the second part (dependent- V).



Source: Model prepared by the researcher.

6. Methodology

6.1 Purpose

The purpose of this paper is to analyze the impact of "HRIS on human resource management strategies in Jordanian Commercial Banks". The findings of this study may assist managers of Jordanian Commercial Banks recognize the value of HRIS in the achievement of HRM strategies.

6.2 Populations and the study sample

The target population of the present study consisted of all Managers at high and middle level in Jordanian commercial banks. Point out a total number of (13) bank. A simple random sampling of" (7) bank was adopted. (190) questionnaires were distributed (185) surveys were included in the analysis".

6.3 Unit of analysis

All senior and middle-level management in "Jordanian commercial banks".

6.4 Study Instrument

To collect the data, a questionnaire had been used. Closed - ended questions were applied, and four components were arranged. Part one consisted of 4 questions related to the backgrounds of respondents. Part two based on HRIS consumption details. Part three focused on HRM strategies.

6.5 Validity and Reliability

Seven expert reviewers from Jordanian universities obtained a questionnaire to guarantee the quality of the method (Validity). The reviewers have made their positive remarks and recommendations which have been taken into account. However, the reliability test "Cronbach alpha test" was performed for each of the variables in the questionnaire. "Cronbach alpha for Independent Variable = (0.808), while for dependent Variable = (0.814)".

7. Analysis and Results

The subsequently tools were used to analysis the hypothesis: "simple regression (enter) was used to test the main hypothesis and its branches".

"H0 1: There is no significant impact of Human Resource Information Systems on Human Resource Management Strategies in Jordanian Commercial Banks".

Table 1. Simple regression (enter) of HRIS on Human resource management Strategies

Coefficients				ANOVA/Analysis of variance			Model summary	
sig	t	beta		Sig	F	DF	R ²	R
.0000	16.890	0.868	HRIS	0.000	126.872	1	0.610	.868

The HRIS model value of "R²" is (0.61) and (f= 126.872, P= 000), which describes (61 percent) of the variation in human resource management strategies. HRIS was also shown to have an important and positive impact on Human Resources Management strategies, the regression coefficient for HRIS ($\beta=0.868$, P= 000). In the basis of the result, we cannot consider the null hypothesis and support the alternative hypothesis that indicated:

"There is a significant impact of HRIS on Human resource management Strategies in Jordanian Commercial Banks at level of (P \leq 0.05)".

"HO1.1: There is no significant impact of Planning Human Resource Information Systems on Human Resource Management Strategies in Jordanian Commercial Banks".

Table 2. Simple regression (enter) of Planning HR Systems on Human resource management Strategies.

Coefficients				ANOVA/Analysis of variance			Model summary	
sig	T	beta		Sig	F	DF	r ²	r
0.000	13.528	0.705	Planning HR systems	0.000	182.999	1	0.500	0.705

The planning hr system model value of "R²" is (0.50) and (f= 182.999, P= 000), which describes (50 percent) of the variation in human resource management strategies. Planning hr system was also shown to have an important and positive impact on Human Resources Management strategies, the regression coefficient for planning hr system ($\beta=0.705$, P= 000). In the basis of the result, we cannot consider the null hypothesis and support the alternative hypothesis that indicated:

"There is a significant impact of Planning HR Systems on Human Resource Management Strategies in Jordanian Commercial Banks at level of (P \leq 0.05)".

HO1.2: There is no significant impact of Staffing HR Systems on Human Resource Management Strategies in Jordanian Commercial Banks.

Table 2. Simple regression (enter) of Staffing HR Systems on Human resource management Strategies.

Coefficients				ANOVA/Analysis of variance			Model summary	
sig	t	beta		Sig	F	DF	r ²	r
0.000	9.578	0.588	Staffing HR Systems	0.000	97.114	1	0.338	0.588

The staffing hr system model value of "R²" is (0.338) and (f= 97.114, P= 000), which describes (33.8 percent) of the variation in human resource management strategies. Staffing hr system was also shown to have an important and positive impact on Human Resources Management strategies, the regression coefficient for staffing hr system ($\beta=0.588$, P= 000). In the basis of the result, we cannot consider the null hypothesis and support the alternative hypothesis that indicated:

"There is a significant impact of staffing HR Systems on Human Resource Management Strategies in Jordanian Commercial Banks at level of (P \leq 0.05)".

"HO1.3: There is no significant impact of Training HR Systems on Human Resource Management Strategies in Jordanian Commercial Banks".

Table 3. Simple regression (enter) of Training HR Systems on Human resource management Strategies.

Coefficients				ANOVA/Analysis of variance			Model summary	
sig	t	beta		Sig	F	DF	r ²	r
0.000	9.578	.0688	Training HR Systems	0.000	107.103	1	.0612	.0688

The training hr system model value of "R²" is (0.612) and (f= 107.103, P= 000), which describes (61.2 percent) of the variation in human resource management strategies. Training hr system was also shown to have an important and positive impact on Human Resources Management strategies, the regression coefficient for planning hr system ($\beta=0.688$, P= 000). In the basis of the result, we cannot consider the null hypothesis and support the alternative hypothesis that indicated:

"There is a significant impact of training HR Systems on Human Resource Management Strategies in Jordanian Commercial Banks at level of (P \leq 0.05)".

"HO1.4: There is no significant impact of Assessment HR Systems on Human Resource Management Strategies in Jordanian Commercial Banks".

Table 4. Simple regression (enter) of Assessment HR Systems on Human resource management Strategies.

Coefficients				ANOVA/Analysis of variance			Model summary	
sig	t	beta		Sig	F	DF	r ²	r
0.000	.9447	.0509	Assessment HR Systems	0.000	104.887	1	.0559	.0509

The assessment hr system model value of "R²" is (0.559) and (f= 104.887, P= 000), which describes (55.9 percent) of the variation in human resource management strategies. Assessment hr system was also shown to have an important and positive impact on Human Resources Management strategies, the regression coefficient for assessment hr system ($\beta=0.509$, P= 000). In the basis of the result, we cannot consider the null hypothesis and support the alternative hypothesis that indicated:

"There is a significant impact of assessment HR Systems on Human Resource Management Strategies in Jordanian Commercial Banks at level of (P \leq 0.05)".

"HO1.5: There is no significant impact of Compensation HR Systems on Human Resource Management Strategies in Jordanian Commercial Banks".

Table 5. Simple regression (enter) of Compensation HR Systems on Human resource management Strategies.

Coefficients				ANOVA/Analysis of variance			Model summary	
sig	t	beta		Sig	F	DF	r ²	r
0.000	.9447	.0625	Compensation HR Systems	0.000	98.857	1	.0393	.0625

The compensation hr system model value of "R²" is (0.393) and ($f= 98.857, P= 000$), which describes (39.3 percent) of the variation in human resource management strategies. Compensation hr system was also shown to have an important and positive impact on Human Resources Management strategies, the regression coefficient for compensation hr system ($\beta=0.625, P= 000$). In the basis of the result, we cannot consider the null hypothesis and support the alternative hypothesis that indicated:

"There is a significant impact of compensation HR Systems on Human Resource Management Strategies in Jordanian Commercial Banks at level of ($P \leq 0.05$)".

8. Conclusions

This research analyzed the obvious impact of "HRIS on HRM strategies in Jordanian Commercial Banks". The general accuracy of the findings with the paradigm was shown by the review of test outcomes. This research provides a crucial contribution to the literature.

The study found a statistically significant impact at level ($P \leq 0.05$) of "planning HR Systems, Staffing HR Systems, Training HR Systems, Assessment HR Systems, and compensation HR Systems) on HRM Strategies in Jordanian Commercial Banks".

The study found a statistically significant impact at level ($P \leq 0.05$) of "HRIS totally on HRM Strategies in Jordanian Commercial Banks".

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