



**New way**  
to increasing the efficiency of your HR Department

**H**uman resource management issues are major concerns for managers at all levels, especially because they have to rely on their employees to achieve the goals of their organization. Studies at various HR institutions have proved that nearly 90% of the SMEs around the world do not have a proper HR solution. This is mainly due to one or more of the following reasons:

- ▶ **The cost of implementing a HRIS can be high**
- ▶ **Most SMEs cannot afford a dedicated IT department**
- ▶ **Many SMEs haven't discovered how useful a HRIS can be**

The scope of a HRIS can be large. Usually an implementation project requires planning recruiting, training and evaluation, holiday management, time management, and benefits. The responsibility of managing most of these areas plays a large part in achieving your organization's goals and objectives while enormous responsibility is placed on your managers and supervisors. Regardless of field of expertise, effective HRM practices will provide all managers with knowledge that enables them to perform effectively.

One study of 700 publicly traded firms in the U.S. shows that those that implemented HR best practices achieved an annual shareholder return of 9.4 percent (versus 6.5 percent for firms using fewer practices) and their gross rates of return on capital were more than 50 percent larger than firms that did not. (Huselid, 1995).

## Employee Self-Service

Information management is important for managers and supervisors. Employee Self Service (ESS) plays a huge role in an effective HRIS. This allows you to put the employee in charge for his personal information so they can evaluate it while you still have total control over the HRIS. This eliminates the hassle of information being transferred back and forth.

Poor HR information processing can become complex, slow -paced and erroneous, causing frustration among your employees and managers. Ultimately, it can impact the continuity of your organization.

**Some benefits of a proper ESS implementation are:**

- ▶ **Reduced handoffs and increasing data integrity**
- ▶ **Enhanced efficiency and control**
- ▶ **Improved decision-making**
- ▶ **HR professionals are available for more strategic work**
- ▶ **Reduced legal liability**

Manual data entry, re-keyed and misread handwriting can result in data errors. In a busy office environment, an employee brings his new emergency contact information to the organization and the organization will enter the information into its electronic records. In today's busy world chances of you forgetting to update this is highly prone. You don't want to be chasing down the missing piece of paper at the wrong time and end up creating chaos in your employee's life. With ESS, users can update their information immediately, reducing the burden on HR and improving data quality overall.

ESS enables access to details such as leave summary, which allows employees to see how much leave they have and how many leave days have been taken. Supervisors approve timesheets and overtime hours easily. These are simple things that make life easy for both HR and the employee and result in higher productivity due to the amount of time saved. This especially helps HR focus on higher priorities such finding better talent, staff development and welfare.

In this age of competition it is important to update your workforce and utilize it effectively to overcome day today challenges in an organization. A vast majority of SMEs do not have a stable HR system that serves all of its HR processes. HR managers and executives encounter many problems when manually recording and tracking applicants, attendance, work hours and other critical employee information. Notably, the organization's HR processes become complex, slow -paced and erroneous.

A contemporary HRIS uses the latest techniques to empower the employees as much possible, which adds value to both parties. We believe ESS is probably one of the strongest components in a HRIS. The design of the application is such that you have complete control of what your employees can or cannot do.

## HR Administration and Data Mining

Spreadsheets, databases and paper records still seem to be the most common methods of storing employee information. Surprisingly some of the bigger companies have failed in implementing a system for proper data storage. In most cases you find your data storage is not efficient only when you have to drill down to create the reports that contain the most insightful information to inform the critical decisions that you are about to make. These decisions affect the culture of your organization and the path you choose to achieve the goals and objectives of your organization.

A good HRIS should allow custom report generation to make sure those vital information that shape up your organization is available to you.

If your HR managers or executives are still spending time updating employee records, chasing documents, or going through files, you are wasting time, resources and money. You simply cannot afford to spend more than a few seconds to retrieve information.

# Open source to the rescue

Readily available HR applications in the market, worth hundreds and thousands of dollars are not affordable and rather an impractical move for growing organizations. Open source has been defined in various ways throughout the years, but let's just keep it simple. Open source allows you to access the code of the software and these software's are free enabling you to start using a system with absolutely no cost while you can plan any customization around your budget or simply continue the free version. You can drop off and migrate to any system you like at any time since you do not have any commitments what so ever. Large organizations such as the US Navy, US Department of Defense, US Postal Service and the US Federal courts use open source products. (www.focus.com). The US government encourages using Open source to cut cost. Foreign governments have embarked on this journey few years ago.

OrangeHRM is an open-source solution that has catered HRIS needs of many SMEs around the world. OrangeHRM offers a range of modules that includes personnel information management, leave or personal time off, benefits, time management, performance evaluation, recruitment / applicant tracking and more.

The system is built using feedback from our global user base and is constantly updated with new features. OrangeHRM has proudly catered to a user base of over one million people users around the world.

Research shows that organizations that successfully engage and empower their workforce through the use of HRIS implementations significantly outperform those companies that do not. Growing the top line revenue or controlling the bottom line is a surefire way for HR professionals to get the attention of the CEO. HR professionals must be willing to develop strategic thinking capabilities and to understand the impact that today's HRIS decisions have on tomorrow's operations. Today's Human Resource department is responsible and accountable for aligning the organization's workforce with its corporate culture. This vision can be achieved with fully featured, flexible and capable Open Source human resource information system.

For more information visit [www.orangehrm.com](http://www.orangehrm.com)