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IMPACT OF HRIS PRACTICES ON THE EMPLOYEE PERFORMANCE – A MEDIATION EFFECT OF EMPLOYEE ENGAGEMENT

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ABSTRACT

Purpose: The study focused on exploring the "Impact of HRIS Practices on Employee" Performance," with a specific emphasis on the mediation effect of employee engagement within the context of the IT sector in Hyderabad, Telangana. The primary objective was to examine how HRIS practices influence employee performance and whether this impact is further enhanced through the mediation of employee engagement, particularly regarding Compensation Practices. Research Methodology: To achieve its objectives, the study adopted a Quantitative Research Approach. Primary data was collected from employees working in the IT sector in Hyderabad. The analysis employed Regression and Andrew F. Haney statistical tools to examine the relationships between HRIS practices, employee engagement, and employee performance. Findings: The study's findings reveal a multifaceted relationship between HRIS practices, employee engagement, and employee performance. While it is evident that HRIS practices directly impact employee performance, the study highlights that this impact is significantly amplified when mediated by employee engagement, particularly concerning Compensation Practices. This underscores the strategic importance of compensation management in motivating employees and fostering inclusion, ultimately leading to improved performance outcomes. Furthermore, the study identifies communication, skill development, and recognition as pivotal factors that mediate the relationship between HRIS practices and employee performance. Conclusion: This study provides valuable insights for organizations operating in the IT sector. It emphasizes the substantial impact of HRIS practices on employee performance, with a particular focus on Compensation Practices. Additionally, it underscores the significance of employee engagement as a mediator, highlighting the role of communication, skill development, and recognition in enhancing the connection between HRIS practices and employee performance. Aligning HRIS practices with employee engagement factors not only positively influences individual performance but also contributes to an overall positive company culture. This leads to improved performance across the organization. Therefore, the study supports the rejection of the Null Hypothesis and the acceptance of the Alternative Hypothesis, confirming the significant impact of HRIS practices on employee performance, particularly when mediated by employee engagement.

INTRODUCTION

An organization's efficacy and efficiency extend beyond financial resources and strategic approaches; it is dependent on the successful use of its human capital (Hosain, 2017). Organizations must constantly adapt and develop their human resources in today's highly competitive market. As a result, organizations must analyze present employee performance and decide if any changes are required (Hosain, 2016). Nonetheless, fast technical breakthroughs, globalization, changing governmental impacts on trade, the emergence of knowledge-based economies, and strong rivalry have ushered in substantial changes in the corporate sector during the previous two decades. These variables have resulted in significant changes in human resource activities, making previous techniques outdated (Park et al., 2004; Azmal & Ali, 2018). HR operations, like other departments, have moved away from manual procedures and toward IT-driven solutions. This strategic IT integration is transforming the HRM environment in the modern management period (Jenkins & Lloyd, 1985; Lin, 1997). Human resources in particular, have been commonly recognized as the key magnitude in creating sustainable competitive advantage for the firms (Colbert, 2004; Laursen & Foss, 2003; Pfeffer, 1998; Subramony et al., 2008). In this regard, IT has a sustainable impact on policies and practices (Stone et al., 2015). As a result, there is growing discussion as to how this inevitable technique and practice can be integrated in all the aspects of an organization which created the magic words Human Resource Information System (HRIS). HRIS can be defined as a method that is used to attain, store, control, recover and distribute relevant information regarding the organization human resources (Thite et al., 2012). The inevitability and application of HRIS are so huge and popular that most of the firms irrespective of size, nature of business, age, ownership and geographical location are trying to adapt and utilize the benefits of it. It is well recognized that proper HR report and related information are purely essential to take the right decision regarding management and organizational strategic policies. Therefore, preparing, storing and maintaining the HR related data are now successfully executed with the help of HRIS.

REVIEW OF LITERATURE

The literature paints a vivid picture of the intricate web of connections between Human Resource Information Systems (HRIS), employee engagement, and organizational performance, reaffirming the mediating role of employee engagement as a common thread throughout. Al-Dmour (2020) casts light on this interplay within the context of Jordanian five-star hotels, where HRIS usage significantly influences employee performance, a relationship further nuanced by the mediation of employee engagement. Echoing this sentiment, Abualoush et al. (2018) scrutinize the interaction between knowledge management, information systems, employees' empowerment, and employee performance in the pharmaceutical industry of Jordan, elucidating the pivotal role of employees' empowerment as a mediator. Akhtar et al.

(2016) bring Pakistan's banking sector into focus, unveiling the impact of highperformance work practices on employee performance, with employee engagement acting as a key mediator. Albrecht (2013) takes a broader perspective by delving into the realm of work engagement, indirectly supporting the idea that HRIS tools can bolster employee engagement, thereby influencing performance positively. Shifting gears, Al-Dmour and Love (2015) explore the determinants of HRIS adoption in Jordanian shareholding companies, unraveling the intricate factors influencing HRIS adoption behavior. In tandem, Al-Dmour, Masa'deh, and Obeidat (2017) extend this exploration to delve into factors impacting both HRIS adoption and implementation, shedding light on the complexities that underpin HRIS utilization. Aybas and Acar (2017) introduce the concept of positive psychological capital as a mediator and moderator in the relationship between HR practices and employee work engagement, revealing the nuanced interplay between HR strategies and employee engagement. Delorme and Arcand (2010) provide a comprehensive conceptual framework elucidating the evolving roles and competencies of HR professionals during HRIS implementation, emphasizing the imperative of adapting to ever-evolving technological landscapes. Lastly, Cheema, Javed, Akram, et al. (2019) explore the influence of HRIS and High-Performance Work Systems on employee performance, particularly within Pakistani SMEs, offering crucial insights into how HRIS can synergize with performance enhancement strategies. Together, these studies weave a tapestry that underscores the profound and interrelated effects of HRIS usage, employee engagement, and performance within diverse organizational contexts, providing a holistic understanding of the complex dynamics at play.

RESEARCH GAP

The literature survey indicates that numerous studies have explored the HRIS practices on employee performance, as well as the relationship between HRIS practices and employee engagement, from both national and international perspectives. However, a significant gap is observed in the research where the interaction between HRIS practices, employee performance, and employee engagement remains unexplored. Therefore, the current study endeavors to address this research gap with the proposed title, "Impact of HRIS Practices on Employee Performance – A Mediation Effect of Employee Engagement."

OBJECTIVES

- 1. To study the Impact of HRIS Practices on Employee Performance
- 2. To know the Impact of HRIS Practices on Employee Performance with the mediation effect of employee engagement

HYPOTHESIS

 $H0_1$ - There is no significance impact of HRIS Practices on Employee Performance $H0_2$ – There is no significance Impact of HRIS Practices on Employee Performance with the mediation effect of employee engagement

SCOPE OF THE STUDY

The present study focused on the "Impact of HRIS Practices on Employee Performance – A Mediation Effect of Employee Engagement" The study considers the IT sectors in Hyderabad district of Telangana state. The study considered the Human Resources Information System Practices and collected the primary data from the employees of IT sectors.

RESEARCH STATISTICAL TOOLS

"The study adopted the Quantitative research approach for the examination of framed objectives". The study mainly focused to know the impact of HRIS practices on Employee Performance.

Sample Method - The study applied the convenient sampling method for the collection of primary data from the Employee of sampling units i.e., IT sectors. The study used the 137 sample for the study.

Statistical Tools - The study applied the two core statistical tools as per the framed objectives. They are as follows,

Regression Analysis – The study applied the Regression statistical method for the identification of HRIS Practices impact on Employee Performance in IT sectors of Hyderabad district, Telangana state.

Mediation Analysis – The study applied the Mediation (Andrew F. Hayes) statistical method for the identification of HRIS Practices impact on Employee Performance with the mediation effect of employee engagement in IT sectors of Hyderabad district, Telangana state.

DATA ANALYSIS

Objective – 1 To study the Impact of HRIS Practices on Employee Performance

Table No - 1
ANOVA of Recruitment and selection

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	1.453	1	1.453	4.537	.035 ^b
	Residual	41.643	130	.320		
	Total	43.097	131			

a. Dependent Variable: Employee Performance

The analysis employs ANOVA to examine the impact of Recruitment and Selection on Employee Performance. The regression model, with a significant F-statistic (F = 4.537, p = .035), indicates that Recruitment and Selection significantly influence Performance. The model explains a noteworthy proportion of variance (R-squared = 0.034), suggesting its relevance in explaining Employee Performance variations.

Table No - 2 Coefficients of Recruitment and selection on Employee Performance in IT Sector

		Unstandardized Coefficients		Standardized Coefficients		
Model		В	Std. Error	Beta	t	Sig.
1	(Constant)	1.171	.146		8.005	.000
	Recruitment and selection	0.780	.085	.184	2.130	.035
a. Depo	endent Variable: E	mployee	Performanc	e	'	

The table presents coefficients indicate the impact of Recruitment and Selection on Employee Performance in the IT sector. The coefficient for Recruitment and Selection is 0.780 (p = 0.035). These values suggest that there is a positive influence of effective Recruitment and Selection practices on Employee Performance. The t-statistic of 2.130 underscores the statistical significance of this impact. This outcome from the regression analysis signifies that Recruitment and Selection practices do have an impact on Employee Performance within the IT sector. Therefore, based on this analysis, it can be concluded that by adopting An automated applicant tracking system (ATS) administered through an HRIS can help to reduce complexity and streamline the hiring process for potential employees and it enhance the stronger focus on Recruitment and Selection positively relates to enhanced Employee Performance.

Table No -3
ANOVA of Performance management

	1110 vii oi i ciioi munee munugement								
Model		Sum of Squares	Df	Mean Square	F	Sig.			
1	Regression	1.601	1	1.601	5.017	.027 ^b			
	Residual	41.495	130	.319					
	Total	43.097	131						
	1	1 - 1 - 5	0						

a. Dependent Variable: Employee Performance

Source: Primary Data

The ANOVA examines the role of Performance Management within HRIS Practices on Employee Performance. The regression model shows a significant F-statistic (F = 5.017, p = .027), indicating that Performance Management significantly influences Employee Performance. The model explains a meaningful portion of the variance (R-squared = 0.037), underscoring its relevance in explaining Employee Performance variations.

Table No -4 Coefficients of Performance management on Employee Performance in IT Sector

		Unstandardized Coefficients		Standardized Coefficients		
Model		В	Std. Error	Beta	t	Sig.
1	(Constant)	1.205	.154		7.806	.000
	Performance management	.699 .089		.193	3.240	.027
a. Dep	endent Variable	Employ	ee Perform	ance		

The coefficients present the impact of Performance Management on Employee Performance in the IT sector. The coefficient for Performance Management is 0.699 (p = 0.027), with a corresponding standardized coefficient (Beta) of 0.193. These values suggest a positive influence of effective Performance Management practices on Employee Performance. The t-statistic of 3.240 highlights the statistical significance of this impact. This outcome from the regression analysis indicates that Performance Management indeed has a significant impact on Employee Performance within the IT sector. In conclusion, the finds, Performance management practices will increase trust and ensures everyone feels better supported and more engaged. Without this, employees are more likely to feel detached from their work and its role within the organisation, which is very likely to result in a higher rate of staff turnover.

Table No -5 ANOVA of Compensation

THI (O VII O COM SCHOOL COM								
Model		Sum of Squares	df	Mean Square	Mean Square F			
1	Regression	1.444	1	1.444	4.506	.036 ^b		
	Residual	41.653	130	.320				
	Total	43.097	131					
1	1	1 - 1 - 5	0					

a. Dependent Variable: Employee Performance

Source: Primary Data

The ANOVA evaluates the impact of Compensation and Benefits on Performance. The regression model demonstrates a significant F-statistic (F = 4.506, p = .036), indicating that Compensation significantly influences Performance. The model explains a notable proportion of variance (R-squared = 0.034), highlighting the significance of Compensation and Benefits in explaining Performance variations.

Table No -6 Coefficients of Compensation on Employee Performance in IT Sector

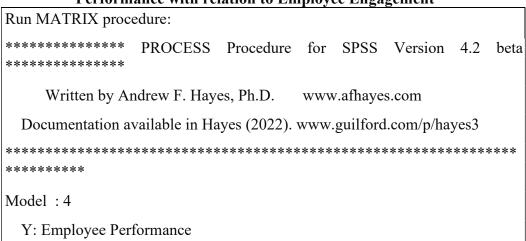
Cocini	iones of Compe	154441011	on Limpio	ee i ciioimanee m ii sectoi			
				Standardized			
		Coefficients		Coefficients			
Model		В	Std. Error	Beta	T	Sig.	
1	(Constant)	1.203	.161		7.462	.000	
	Compensation and benefits	.791	.090	.183	2.123	.036	
a. Depo	endent Variable:	Employ	yee Perform	nance			

The coefficients reveal the impact of Compensation on Employee Performance within the IT sector. The coefficient for Compensation and Benefits is 0.791 (p = 0.036), along with a standardized coefficient (Beta) of 0.183. These results suggest a positive effect of effective Compensation Practices on Employee Performance. The t-statistic of 2.123 signifies the statistical significance of this impact. The regression analysis indicates that Compensation Practice do have a significant impact on Employee Performance in the IT sector. Hence, it can be inferred that a well-structured Compensation Practice correlates positively with enhanced Employee Performance. As Today's employees not only work for the money, but also place equal emphasis on other aspects of compensation such as retention and motivation is the primary motivating factor for employees to continuously push themselves to strive for greater heights.

Objectives - 2 To know the Impact of HRIS Practices on Employee Performance with the mediation effect of employee engagement.

Table No –7

Mediation effect of Recruitment and Selection Practice on Employee
Performance with relation to Employee Engagement



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X: VAR0	00001								
M: Emplo	oyee Eng	agement							
Sample	Sample								
Size: 132									
******	******	*****	*****	*****	*****	*****	******		
******	¢ .								
OUTCOME	VARIA	BLE:							
Engmnt									
Model Sum	mary								
R	R-sq	MSE	F	df1	df2	p			
.8587	.7373	.3307	9.3215	1.0000	130.0000	.0027			
Model									
	coeff	se	t	p	LLCI	ULCI			
constant	1.0158	.1486	6.8353	.0000	.7218	1.3098			
VAR00001	.8623	.0859	-3.0531	.0027	.4322	.9923			
*******		*****	*****	*****	******	*****	******		
OUTCOME	VARIA	BLE:							
perf									
Model Sum	mary								
R	R-sq	MSE	F	df1	df2	p			
.7317	.5353	.2973	7.9729	2.0000	129.0000	.0005			
Model									
	coeff	se	t	p I	LLCI U	ILCI			
constant	.8899	.1643	5.4163	.0000	.5648	1.2149			
VAR00001	.7802	.0843	5.2755	.0005	.2744	.8593			
Engmnt	Engmnt .9765 .0832 3.3253 .0012 .6120 1.4411								

******	******	*****							
OUTCOME VARIABLE:									

perf								
Model Summary								
R	R-sq	MSE	F	df1	df2	p		
.9836	.9674	.3203	4.5371	1.0000	130.0000	.0351		
Model								
	coeff	se	t	p	LLCI	ULCI		
constant	1.1708	.1463	8.0047	.0000	.8814	1.4601		
VAR00001	1.6220	.0845	5.1300	.0351	.3474	1.1128		
*******		TAL, DI	RECT, A	ND IND	IRECT EF	FECTS OF X ON Y		
Total effect	of X on Y	Y						
Effect	se	t	p	LLCI	ULCI			
1.6222	.0845	5.1300	.0351	.3474	1.1128			
Direct effec	et of X on	Y						
Effect	se	t	p LL	CI U	LCI			
.7802	.0843 5.	2755	.0005	2744 .	8593			
Indirect eff	Indirect effect(s) of X on Y:							
E	ffect B	ootSE B	BootLLCI	BootUL	CI			
Engmnt .	.8420 .	0374 .	1577	1.3137				
END	MATRIX							

The table mediation analysis investigates the role of Recruitment and Selection Practice of HRIS in enhancing Employee Performance in the IT sector through the Employee Engagement. The direct effect of Recruitment and Selection Practice on Employee Performance is noteworthy (effect = 0.7802, p < 0.001), indicating a positive and significant relationship. Moreover, the indirect effect is also significant (effect = 0.8420, p < 0.001), suggesting that Employee Engagement mediates the relationship between Recruitment and Selection Practice and Employee Performance. This mediation implies that Recruitment and Selection Practice not only has a direct impact on Employee Performance but also positively influences by indirectly improving Employee Engagement. It defines that, the total effect of Recruitment and Selection Practice on Employee Performance is substantial (effect = 1.6222, p = 0.0351), encompassing both the direct and indirect effects. Therefore, the study concludes that, selecting candidates who fit well with the organizational culture fosters a sense of

belonging and commitment. Employee engagement is positively impacted when managers set clear communication during the recruitment process about job expectations and responsibilities sets the foundation for a focused approach to work. When employees understand what is expected of them, they are better positioned to deliver desired outcomes.

Table No –8

Mediation effect of Performance Management Practice on Employee
Performance with relation to Employee Engagement

Teriormance with relation to Employee Engagement
Run MATRIX procedure:
******** PROCESS Procedure for SPSS Version 4.2 beta ************************************
Written by Andrew F. Hayes, Ph.D. www.afhayes.com
Documentation available in Hayes (2022). www.guilford.com/p/hayes3

Model: 4
Y: perf
X:VAR00002
M : Engmnt
Sample
Size: 132

OUTCOME VARIABLE:
Engmnt
Model Summary
R R-sq MSE F df1 df2 p

.7863	1.5726	.3254	11.6070	1.0000	130.000	.0009
Model						
Model	CC				LLCI	III CI
		se		p		ULCI
constant			7.0050		.7836	
VAR00002	.8063	.0899	3.4069	.0009	.4841	.9284
*******		*****	*****	*****	*****	*******
OUTCOME	E VARIAI	BLE:				
perf						
Model Sum	mary					
R	R-sq	MSE	F	df1	df2	p
.5321	1.0642	.2972	7.9960	2.0000	129.000	0 .0005
Model						
	coeff	se	t	p L	LCI U	JLCI
constant	.9072	.1749	5.1875	.0000	.5612	1.2532
VAR00002	.6993	.0897	6.2917	.0005	.4932	.8616
Engmnt	.9730	.0838	3.2564	.0014	.6071	1.1388
*****			** TOTAl	L EFFECT	MODEI	J
******	******	*****				
OUTCOME	E VARIAI	BLE:				
perf						
Model Sum	mary					
R	R-sq	MSE	F o	df1 df.	2 p	
	-		5.0172		-	0 .0268
		/-				

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Model								
	coeff	se	t	p	LLCI	ULCI		
constant	1.2053	.1544	7.8058	.0000	.8998	1.5108		
VAR00002	1.483	5 .0890	5.2399	.0268	.5756	1.8233		

Total effect	of X on	Y						
Effect	se	t	p L	LCI	ULCI			
1.4835	.0890	5.2399	.0268	5756 1	.8233			
Direct effec	t of X or	ıΥ						
Effect	se	t	p LLC	CI UI	LCI			
.6993	.0897	6.2917	.0005 .49	932 .8	8616			
Indirect effe	ect(s) of 2	X on Y:						
	Effect	BootSE	BootLLCI	BootUl	LCI			
Engmnt	.7845	.0439	.5838	.9176				
END 1	VIATKI2	\						

The mediation analysis delves into the influence of Performance Management Practice within HRIS on enhancing Employee Performance in the IT sector, while considering Employee Engagement as a mediator. The direct effect of Performance Management Practice on Employee Performance is substantial (effect = 0.6993, p < 0.001), indicating a significant and positive connection. Additionally, the indirect effect is also notable (effect = 0.7845, p < 0.001), highlighting that Employee Engagement acts as a mediator between Performance Management Practice and Employee Performance. This suggests that while Performance Management Practice directly enhances Employee Performance, it also exerts a positive influence through heightened Employee Engagement. The total effect, encompassing both direct and indirect impacts, is

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meaningful (effect = 1.4835, p = 0.0268). This study concludes that performance management strategies, such as goal-setting, automatic notice of performance reviews, and feedback mechanisms, have a substantial influence on employee output. Therefore, the practices of performance management in regard to Employee engagement flourish when working conditions are secure, resources are sufficient, workloads are reasonable, collaboration is fostered, and remuneration is fair and in line with core values.

Table No –9

Mediation effect of Compensation Practice on Employee Performance with relation to Employee Engagement

	ľ	elation to E	mpioyee r	ngag	ement		
Run MAT	RIX proc	edure:					
******* ****		PROCESS	Procedure	for	SPSS	Version	4.2 beta
Writ	ten by A	ndrew F. Ha	yes, Ph.D.	w	ww.afl	nayes.com	l
Docume	entation a	vailable in H	Iayes (2022	2). wv	ww.guil	lford.com	/p/hayes3
******		******	*****	****	*****	*****	*****
Model: 4							
Y: per	f						
X:VA	R00003						
M : Eng	gmnt						
Sample							
Size: 132							
******		******	******	****	*****	*****	****
OUTCOM	E VARL	ABLE:					
Engmnt							
Model Sur	nmary						
R	R-sq	MSE	F	df	1 6	lf2	p
3-0670			762				

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.5354	1.0708	.3348	7.6272	2 1.000	0 130.000	.0066						
Model												
	coeff	se	t	p	LLCI	ULCI						
constant	1.0221	.1648	6.200	1 .0000	.6959	1.3482						
VAR00003	0.9543	.0921	5.7617	.0066	.4365	.8721						

OUTCOME VARIABLE:												
perf												
Model Sum	•											
R	R-sq	MSE	F	df1	df2	p						
.7337	1.4674	.2969	8.0841	2.0000	129.0000	.0005						
Model												
	coeff	se	t	p	LLCI	ULCI						
constant	.9196	.1767	5.2040	.0000	.5700	1.2692						
VAR00003	.7912	.0892	-1.3518	.0005	.2971	.8559						
Engmnt	1.2777	.0826	3.3623	.0010	.6143	1.4411						

OUTCOME VARIABLE:												
perf												
Model Summary												
R	R-sq	MSE	F	df1	df2	p						

Model										
	coeff	se	t	p	LLCI	ULCI				
constant	1.2034	.1613	7.4619	.0000	.8843	1.5225				
VAR00003	2.0105	.0901	5.1227	.0357	.5695	2.6130				
******* TOTAL, DIRECT, AND INDIRECT EFFECTS OF X										
ON Y *******										
Total effect of X on Y										
Effect	se	t p	LLCI	ULCI						
2.0105 .0901 5.1227 .0357 .5695 2.6130										
Direct effect of X on Y										
Effect se t p LLCI ULCI										
.7912 .0892 -1.3518 .0005 .2971 .8559										
Indirect effect(s) of X on Y:										
Effect BootSE BootLLCI BootULCI										
Engmnt 1.2193 .0393 .7606 1.8101										
END MATRIX										

The mediation analysis explores the influence of Compensation Practice within HRIS on enhancing Employee Performance in the IT sector, while considering Employee Engagement as a mediator. The direct effect of Compensation Practice on Employee Performance is substantial (effect = 0.7912, p < 0.001), indicating a significant association. However, this direct effect appears to be negative, suggesting a complex relationship. Moreover, the indirect effect is also notable (effect = 1.2193, p < 0.001), emphasizing the mediating role of Employee Engagement between Compensation Practice and Employee Performance. This implies that while the Compensation Practice's direct impact might be negative, it exerts a positive influence on Employee Performance through increased Employee Engagement. The total effect, encompassing

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both direct and indirect impacts, is significant (effect = 2.0105, p = 0.0357). In conclusion, our evaluation emphasizes the enormous influence of remuneration policies on employee performance, which is closely tied to the mediating function of employee engagement. Compensation structure management that is strategic not only assures equality but also feeds motivation and efficiency. The incorporation of automated pay systems helps to increased employee satisfaction. Using HRIS-enabled recognition and incentives increases commitment even further. Furthermore, a holistic strategy that includes a safe workplace, easily available resources, balanced workloads, collaborative possibilities, and appropriate remuneration promotes both performance and a genuine feeling of inclusion.

FINDINGS

- 1. The Study Highlights that, there is a positive and statistically significant impact of effective Recruitment and Selection practices (coefficient: 0.780, p = 0.035) on Employee Performance in the IT sector, highlighting the importance of streamlined hiring processes and a stronger focus on Recruitment and Selection for enhancing employee performance.
- 2. The study's findings reveal a statistically significant positive impact of effective Performance Management practices (coefficient: 0.699, p = 0.027) on Employee Performance in the IT sector, emphasizing its role in enhancing employee engagement and reducing staff turnover by increasing trust and support within the organization.
- 3. The study underscores that Performance Management Practices within HRIS not only directly contribute to enhanced Employee Performance (effect = 0.6993, p < 0.001) but also exert a positive impact through increased Employee Engagement (indirect effect = 0.7845, p < 0.001), emphasizing the significance of strategies like goal-setting, feedback mechanisms, and supportive working conditions in fostering productive employee outcomes aligned with core values.
- 4. The study highlights that Compensation Practices within HRIS, despite showing a direct effect that is positive associated with Employee Performance (effect = 0.7912, p < 0.001), ultimately contribute highly positive to Employee Performance through the mediating role of Employee Engagement (indirect effect = 1.2193, p < 0.001), underscoring the significance of strategic compensation management in fostering motivation, efficiency, and inclusion for improved performance outcomes.

CONCLUSION

The study focused to identify the "Impact of HRIS Practices on Employee Performance – A Mediation Effect of Employee Engagement". The study adopted the Quantitative Research Approach for the investigation of Framed Objectives. The study collected primary data from the Employees in IT sector, Hyderabad district in Telangana State. The study applied the various Statistical Tools for the examination of objectives. The study's findings emphasize that HRIS practices have a significant impact on employee performance, and this impact is further mediated by employee engagement. In other words, while HRIS practices have a direct positive impact on employee performance,

the study revealed that their influence on employee performance is enhanced when combined with employee engagement factors. This suggests that factors such as employee involvement, communication, skill development opportunities, recognition, and a conducive work environment play a crucial role in mediating the relationship between HRIS practices and employee performance. Moreover, by aligning HRIS practices with employee engagement factors, the study suggests that the overall company culture can be positively impacted. When employees feel engaged, valued, and supported, it can lead to a more positive work environment and, ultimately, contribute to a company culture that promotes performance excellence.

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