Chapter 3.4 The Role of HRIS in Crisis Response Planning

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INTRODUCTION

"On Sept. 11, 2001, terrorists attacked the World Trade Center, killing 2,749 people. The attack resulted in severe economic impact, especially to airlines, and a stock market loss of \$1.2 trillion. On December 26, 2004, a tsunami from a 9.1 earthquake overran the shores of many countries along the vast rim of the Indian Ocean. Over 283,000 people died. On August 29, 2005, Katrina, a category-5 hurricane, knocked out electric and communication infrastructure over 90,000 square miles of Louisiana and Mississippi and displaced 1.5 million people." (Denning, 2006,

p. 15). This past decade has been catastrophic, and there are still three more years to go. Many American businesses have not responded to the call for better human resource crisis planning, while a few corporations have risen to the challenge. It is necessary and extremely important for organizations to understand the importance of implementing crucial changes in the organizational structure of businesses, primarily in the human resource sector. The human resource sector is the area most responsible for the safety of personnel and therefore best equipped to foster the communication requirements any crisis will necessarily exact.

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BACKGROUND

Since 9/11, the importance of human resource information systems (HRIS) has increased substantially. It has become important in all industries despite their differing business models, clienteles, or work forces. A key example of an affected industry is the complex and widely diverse health care industry. "Since 9/11, public health has seen a progressive culture change toward a 24/7 emergency response organizational model. This transition entails new expectations for pubic health workers, including (1) a readiness and willingness to report to duty in emergencies and (2) an ability to effectively communicate risk to an anxious public about terrorism or naturally occurring disasters" (Barnett et al., 2005, p. 35). What the surge in emphasis on human resource preparation indicates is that it is no longer financially viable or politically responsible to ignore the necessity of contingency planning. This knowledge has grown out of the climate of change based on the lessons learned from the terrorist acts of 9/11. "More importantly, the feedback and lessons learned from the September 11 disaster recovery process had a significant impact on optimizing the current processes, culture, and organizational model." (De Tura, Reilly, Narasimhan, & Zhenhua, 2004, p. 160).

It has become clearer that both customers and employees alike expect an emergency preparation model from the financial community to prevent disruptions of commerce so that business as usual can resume as soon as possible after a disaster. "Since the events of September 11, 2001 in New York, there is now world-wide awareness of the necessity of having trained and coordinated teams available to respond to such unexpected catastrophes" (Smith, Lees, & Clymo, 2003, p. 517). It is not difficult to understand this mentality, especially since this country has now witnessed examples of effective and ineffective corporate leadership in crisis. Even people previously inexperienced with emergency contingencies are now cogni-

zant of what are the most basic steps a company must take to ensure its work place survival and competency. "These steps include preventative planning and training, responding competently during the event itself, and providing social support and post-event services" (Schouten, Callahan, & Bryant, 2004, p. 232).

Prior to 9/11, the function of human resources was considerably different; previously it was reserved more for handling personnel issues in the company such as managing health benefits, attending to payroll, etc. That has changed. "Over the past two decades, the role of human resource management (HRM) in organizations has shifted from measuring individual productivity among the employees toward strategic management of the human resources, focusing on competence development, human learning management, knowledge management, and learning organizations" (Hustad & Munkvold, 2005, p. 82). An important reason for this change is the way in which information technology (IT) has shaped this organizational component of a company. It is not adequate for a competitive business to not be equipped with the latest in informational technology when dealing with a vast amount of data and personnel. "Computerized information systems have developed from a mere transaction processing function through a data accumulation period to a decision support role" (Beckers & Bsat, 2002, p. 41).

HRIS PREPAREDNESS BEFORE AND AFTER A CRISIS

It is no longer viable for the top management of a functioning company to not utilize the capabilities of information technology. If one organization is not prepared to communicate with all levels of employees and make decisions quickly, a competitor will. Managers must be cognizant of incoming intelligence, be able to analyze trends they see coming, and predict crisis before they can occur,

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