

E- Human Resource Management (E-HRM): A Growing Role In Organizations

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ABSTRACT

The period of 1945 to 1960 is characterized by the importance of employee morale while personnel are part of operating cost but not yet mainstream operations of organization. The computers were used in defense industry to maintain research and development, employee selection, payroll automation through mainframe computers. The human resource management department is considered as the most significant functions in all types of organizations as it considered greatly with intellectual skills. Information communication technology facilitates innovative and best way of carrying on routine organizational activities in a virtual environment. Human resource management incorporating with the electronic mode of operations. Since the term e-HR first came into force in the 1990s when e-commerce started dominating the business world. Recent technological developments have made "business at the speed of a thought" and a "paperless office" every activity based on real time with real information. e-HR refers conducting human resource transaction using the internet technology at the inception of e-HRM. This study also provide concrete insight about how human resource management developing their function with new technical wave called E-HRM and also study of frame work, role and consequences of E-HRM process in organizations.

Keywords: technical wave, E-Commerce, E-HR, E-HRM.

INTRODUCTION:

Due to rapid growth of management activities there is no little chance for argument of the nation that people are one of the key assets focusing on the success or failure of an organization and hence the importance of the knowledge skill, attitude and behavior of those people for the betterment of the organization. People are the key assets that are capable of growth and development. The people are nothing but human resource, during the past 3 decades organizations have begun to embrace a "human asset approach" one that consider the money spent on integration with innovation in the workforce as an investment. As with any asset, by nurturing, protecting, and growing this investment, organizations that align workforce strategies with business goals and objectives will benefit from capturing and focusing the attention of workforce. The role of Human resources management continues to change, technology has continued to evolve throughout the management practices. Though the organizations does not have absolute power over their human asset they can make use of certain tools and techniques to exert some vital influence over the path towards better performance towards achieving mission of the organization. Nowadays organizations face strong competition, time to market pressure, globalization and demand for innovation indicating overall change and turbulence, every organization has increased their attention on knowledge as a dominant source of competitive advantage, meaning of that the survival of organizations depends a lot on their ability to recognize new external knowledge. In this article From last two decades organizations are not only leveraging technology to support the function of human resource

department, but they are also leveraging the human capital technologies for use of every one in business. Consequently human resource as a function has evolved into human capital management. Whereas HR was the responsibility of a centralized or some time de centralized department.

Since the dawn of information era, organizations are increasingly incorporating information communication technology in their work process through different innovative tolls and techniques. It is a challenging job for HR to cope up with the new innovative methods of practices collaborating with technological support. The transformation from HR to electronic HR shows sustainable and competitive advantage for every organization.

Although the Human Resource function was an early integration of computing technology, it spent the last decade playing to synchronies other business functions in terms of integrating Information Technology into their business processes (Hendrickson; 2003). During the 90's, organizations became experienced in using IT for Human Resource Management. Even though a little difficulties as within other business functions, IT service provider offered more and more new innovative solutions for HRM practices. As within other business functions, IT has become an important tool and application for supporting the processes of the HR function and the HR function is now closing the gap in terms of applying new IT capabilities to traditional functions.

Emergence and success of e- commerce systems leads to making use of electronic human resource management (e-HRM) systems. This integration of electronic way of human resource management provides organizations an effective performance of improvement in all HR activities as well as transforming and renovating the entire Human resource management activities. In this technological world the advancement in technology is one of the powerful driving forces. The communication pattern is reshaping itself in the business world. The digitalization in business communication improves a tremendous in organizational activities. The way that organizations' perform their task is currently associated to contemporary concepts such as Digital business, e-commerce, customer relationship management, human resource management. Nowadays digital business services are being considered as pertinent and prominent parts of the organization. In other words, the trend of business in service industry is moving towards knowledge or digital based economy.

According to Ruel, Bondarouk and loosie, E-HRM is a good way of implementing HR strategies, policies, and practices in an organization through continue and directed support by full use of Web technology-based channels and networks. Human resource planning is one of the complex functions in an organization. It is a process of planning for human resources with intellectual skill. Human resource planning may be viewed as forecasting the human resources requirements of the organizations. As HR the human resource planning is based on data relating to human resources, the same should be maintained in a proper manner in the industrial organizations. If the absence of reliable data, it becomes difficult to develop effective human resource plans. Recruitment, selection induction, training and development, performance appraisal rely up on effective human resource management planning.

E-HRM is a relatively new term for this information technology supported HRM in every sector, particularly through the use of web technology. The expectations is that HR departments using IT may now " be liberated from the administrative shackles and be able to focus more on developing intellectual capital, social capital and managing knowledge to improve an organizational competitive advantage. E-HRM is a fully integrated organization wide electronic network of HR related data, information services, database, tools, applications and transactions are made generally accessible at any time by the employees, managers and HR professionals (Shoeb Ahmad 2015).

REVIEW OF LITERATURE:

Review of literature provides a critical summary of research already done on the relevant topic. It has conducted to generate a theoretical and scientific knowledge about particular phenomenon and results in synthesis of what is known and unknown about the phenomenon. The primary purpose of literature review is to gain a broad background available related to problems in conducting research. Many studies have been conducted from time to time at national and international level to study the various aspects of the e-HRM, HR practices, and evolution of HRIS, HRMS, E-HRM, sophisticated tools for e-HRM.

DeSanctis (1986), author revealed that the modern technology encouraging the organization to utilize human resource information is proper way. HRIS is perceived to contribute to the effective activities of man power in an organization. The study focused on two HRIS managers in the hospitality industry in greater region (GHANA) to find out the benefits and challenges for HRIS. It has revealed that HRIS identified unfilled positions, accurately analyzed each job position and its job title in the organization, providing insight into organizational training needs, selected the right persons to be trained at the right time, evaluated the effectiveness of training programs and made faster and better decisions about successor ranking. Also said

Organizations need to integrate HRIS with other organizational systems to facilitate speedily sharing of information and decision making.

Lepak et al., (1998) “*Virtual HR: Strategic Human Resource Management in the 21st Century*” the researchers suggested that the Majority of organizations have been throwing light on replacement face to face Human resource management activities with new electronic human resource management. HR activities required dynamic with operational capabilities to contribute for effectiveness of e-HRM. People need to understand e-HRM comprehensively and systematically regarding introduction of e-HRM, types of e-HRM, role of e-HRM and factors influencing on e-HRM.

Ball, K S (2001) “The use of human resource information systems” in this article author have made an attempt to study about the people who are employed by the organization likely to maintain their information electronically. Employees more likely to HR function to hold individual and organization information. At the same time organization more likely to buy new additional HR module to maintain information and for strategic role in an organization. Time and attendance are the most integrated module in this area. Different companies purchased e-HRM software but majority companies are not ready to install that in an organization.

Marie Karakanian (2006) “*Are Human Resource Department ready for E-HR ?*” in this research article the researcher investigated that how E-Wave affect the HR agenda and will it facilitate HR’s attainment of its objectives or will it eradicate HR?. in this conceptual study the Researcher found that web technology is here to stay and strengthening daily and affecting business strategy as never before. Therefore as HR becomes more of a refined business discipline, with processes more sophisticated than those of traditional method. It should optimize the use of available technology to support and help to accomplish its business goal. The HR department needs to re-organize some of the current tasks with limitations of web technology and its integration to the HRMS.

Panayotopoulou et al., (2007) “*E-HR adoption and the role of HRM evidence from Greece*” the authors investigated that Greek firms is to find the transformation in the role of the HR function in information technology. The study was based on both quantitative and qualitative methodology and identified that adoption of e-HRM in Greek firms facilitates the HR and technology for the transformation of activates. The role of HRM moving towards electronic mode of transformation with the strategic alliances for decision making. Driving forces and critical success factors of e-HR adoption and implementation are identified and discussed.

Sanayei et al., (2008) “*Designing a model for evaluating the effectiveness of E-HRM (case study: Iranian organizations)*” the authors attempted to made an explanation of e-HRM and integration of its activities and tools. The study was carried out from 110 Iranian HR managers. HR managers always strive to change their role and style of management with the help of technological changes and with the help of virtual HRM. They have a mindset regarding deployment of e-HRM application have a significant positive opinion on the e-HRM activities. They opines the implementation of E-HRM telecommunication systems and best infrastructure inside the organization.

Bondarouk (2009) has argued that the term “ e-HRM” has been used interchangeably and without much consistency with HRIS, virtual HRM, web based HRM, and internet based HRM. There was a ambiguity in the minds of researcher describe the e-HRM with inclusion of mechanism and contents between HRM and information techniques. This process aim to create value within or across the organizations for targeted employees in management. E-HRM existed with the help of e-HR and HRIS. The mechanism of human resource management with integration of web technology creates new system to change the strategies in organization.

Laumer et al., 2010 “Electronic Human Resources Management in an E-Business Environment” In their article researcher investigated 144 HR managers from german top 1000 firms revealed that HR managers most imperative challenges are staff retention and internal, external employer branding. These HR managers concluded that e- HRM required to be very effective only when organization fill all vacancies with potential people to make best use of it.

UNDERSTANDING E-HRM:

E-HRM is a relatively new term for this information technology supported HRM in every sector, particularly through the use of web technology. The expectations is that HR departments using IT may now “ be liberated from the administrative shackles and be able to focus more on developing intellectual capital, social capital and managing knowledge to improve an organizational competitive advantage. E-HRM is a fully integrated organization wide electronic network of HR related data, information services, database, tools, applications and transactions are made generally accessible at any time by the employees, managers and HR professionals (Shoeb Ahmad 2015).

Advances in technology over the past decade created both concerns and opportunities for organizations and HR

(Gainey and klaas 2008) given the substantial benefits though that can emerge from integrating information technology into the HR function, business increasingly utilize-HRM to design and deliver their HRM practices (Bell et al., 2006).

In the post-world war era 1945 -1960 organizations more emphasized on;

- ✓ Employee relations
- ✓ systematic selection,
- ✓ Focused on extensive record keeping and reporting
- ✓ Emerged computer technology as facilitator in managing employees' information.

In mid of 1990s industries shifting their transactions from MIS to Electronic data interchange. This EDI activity integrated few of activity in to electronic mode like purchase order and invoice. There was no such updated alternative for the organizations to transact electronically.

A HRIS, which is also known as a human resource information system or human resource management system (HRMS), is basically an intersection of human resources and information technology through HR software. This allows HR activities and processes to occur electronically. Basically HRIS implemented on payroll system and attendance system in an organization. Above three stages of management is one side process namely management control on the systems.

HRIS allows a company to plan its HR costs more effectively, as well as to manage them and control them without needing to allocate too many resources toward them. In most situations, a HRIS will also lead to increase in efficiency when it comes to making decision in HRM. By the decision by HRIS also increase the quality, productivity of both employees and managers and become more effective. This era is called as legislative era from 1960 to 1980.

In the era 1960 -1980 organizations more emphasized on;

- ✓ Personnel converted as Human resource manager,
- ✓ Human resource considered as key for organizational success,
- ✓ Emergence of MIS and HRIS,

In the era of 1980 to 1990 organization more emphasized on low cost era and emergence of HRIS;

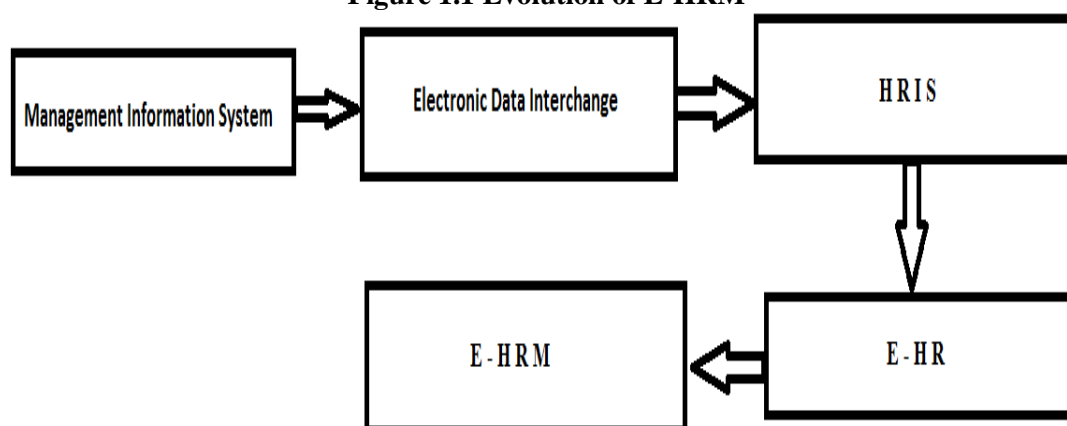
- ✓ HRIS became affordable to organizations
- ✓ HRIS became complex and analytical tool
- ✓ HRIS for all

OBJECTIVES OF E-HRM:

Human resource management practices changing style of execution by integration of advanced technology. The main intention of integration of technology in HRM practices is to bring new dimension to the organization and to synchronize with global demand and supply. E-HRM design is to achieve the organizational goals with strategic way. The following are the main objectives of E-HRM.

- ✓ E-HRM offers an adequate, comprehensive, detailed on-going system about people and specific jobs.
- ✓ E-HRM supports the management for future planning and policy formulations.
- ✓ E-HRM facilitates and monitors the human resource demand and supply imbalances
- ✓ E-HRM provides as automated information about employees.
- ✓ E-HRM enables the faster response to employees' related services and faster HR decisions.
- ✓ E-HRM offers data security and personal privacy

Figure 1.1 Evolution of E-HRM



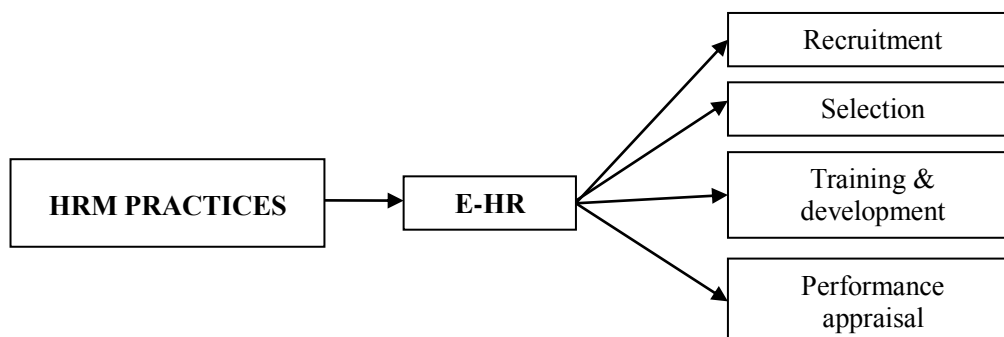
With the expanding improvement in innovation in the current years, it is conceivable to make a constant data based, self-service, and intelligent workplace. Representative Information Systems have created from the computerized record keeping of workers in the 1960s into more mind astonished revealing and choice frame works. Several studies have been conducted on the E-HRM and emergence of E-HRM in the business world. Basically industries integrated the technology in the name of management information system in 1990s (MIS). This is nothing but computerized database information related to concerned business which is programmed in such a way that it produces regular reports on operations for every level of management. This is one of the initial stage implementation of technology in an organization.

Table 1.1: Levels of E-HRM

Mode of E-HRM	Application
Operational E-HRM	This type of e-HRM is concerned with Administrative functions like salary management, payroll, employee personal data
Relational E-HRM	This type of e-HRM is concerned Supportive business process, activity like recruitment, training performance management,
Transformational E-HRM	Strategic HR activities like knowledge management, strategic re-orientation

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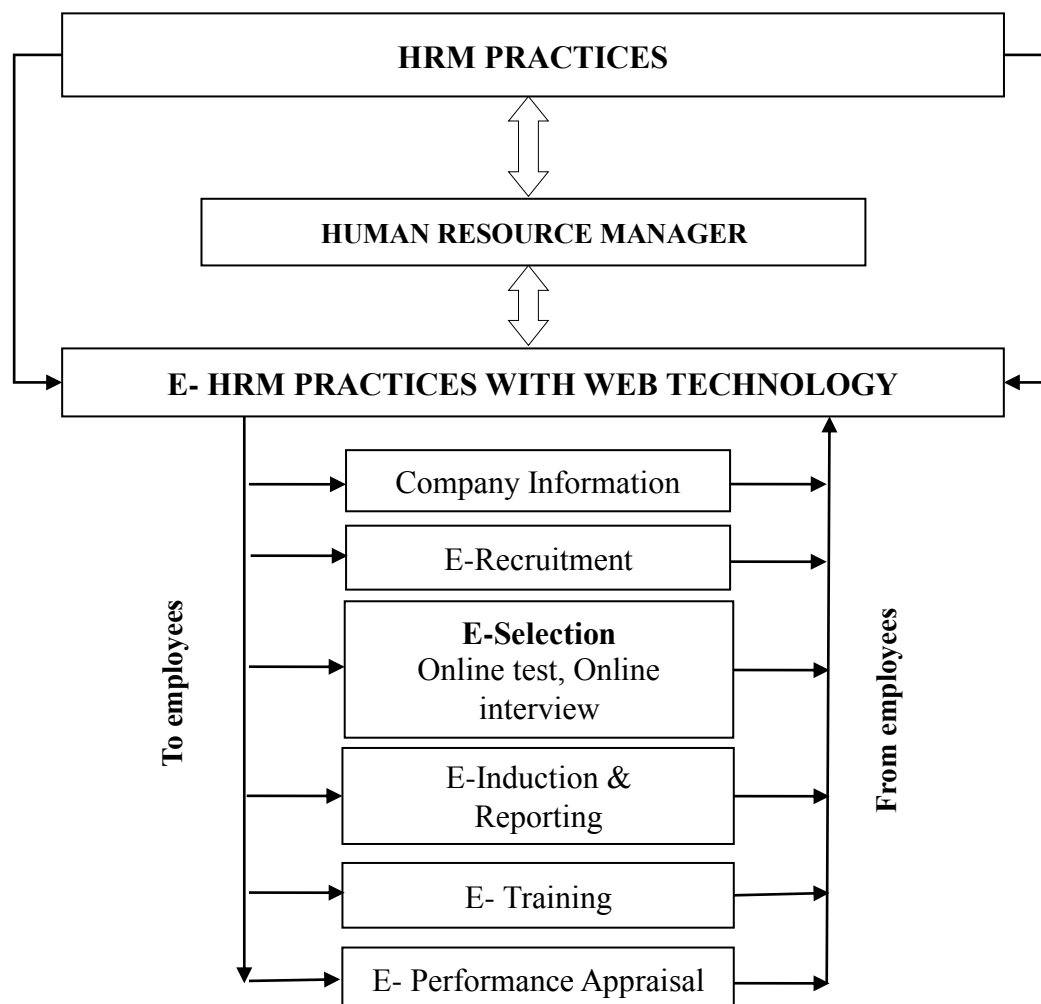
Figure 1.2: E-HR FRAMEWORK



Sources: Industry source

E-HR it can be observed that HRM practices flowing from management to E-HR system the beginning of electronic integration in human resource management. The web-technology implemented in HR practices with the help of computer systems called as ‘Virtual HR’. in this frame work all the companies use to monitor the employees assign the practices through E-HR. this E-HR only one sided task by HR executives. There was absence of flow of information or feedback from the employees’ side. E-HR followed downward communication system. This E-HR was using only for the attendance and payroll system. The above figure clearly shows the flow of HRM practices through E-HR. there was lot of difficulties in E-HR frame work because employees were not happy with the E-HR. the domination of HR executives in the process of maintaining the data base and favors appraisal system for some employees and strategic HR policies has been made difficulties for employee.

Figure 1.3: E-HRM FRAME WORK



Some consequences of the introduction of electronic in the human resource management function are

- IT destroys traditional, intensive manual labour, but gives birth to new jobs (Webmasters, media brokers, html programmers.)
- Tele working and flexible consideration of time and space are part of the job's description. Privacy has also become a relevant issue, since the distinction of personal and professional related information is blurred, as well as blending personal time and working hours.
- Geographical barriers disappear, up to the point in which some business is working 24 hours a day by using time zones appropriately.
- Multifunctional skills and team working are required abilities for new economy's employees.
- Modern organizational structures, flat and team-based, are taking over traditional forms (virtual organizations being the epitome of this phenomenon).

In spite of above key benefits and positive consequences there may be a number of unintended consequences from using them. For instance there are concerns that new systems focus primarily on efficiency and cost cutting, and may be do not enhance the effectiveness of HR Process for example selection process. There are also concerns that e-HRM systems may have adverse impact on members of some protected group (older job applications), have the potential to invade personal privacy information.

CONCLUSION:

Indian companies are ahead in the automation piece and companies have taken this seriously. There's a culture of India of adopting technology. But, where India is behind is, in using automated process for strategic decisions. More companies bought software and implemented it but didn't know what to do with it. The adoption of E-HRM technology in India is nearly 15% higher compared to global companies. Nearly 80 to 90% of companies have bought these software in India to reduce staff. HR has the tendency, if it's not managed well,

the staff and there are a lot of HR people running around in companies, trying to help people do their jobs. A lot of technology being built is to automate these and reduce the number of HR people. There's going to be a huge shrinkage in HR staff and it will become more consultant based work. There will be shift in service delivery towards strategic consulting.

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