

A Study of E-HRM Consequences, Its Outcomes and Performance of Employee in IT Sector

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Abstract - Electronic Human Resource Management has brought about a huge shift in the way the HRM practice functions. A number of Companies across the globe are working towards digitizing and automating their HR practices such as recruitment, learning & development, performance management, compensation, reward and recognition by adopting various software applications. Through this study an effort was made to analyze the effectiveness of E-HRM from multidimensional perspective i.e. e-recruitment, e-learning, e-performance management, e-payroll management, e-rewards and recognition and e-self-service, these being the six core dimensions of E-HRM considered for the study. Globalization along with the technological advances made by Information and Communication Technologies (ICTs), especially the Internet, has led the human resource management to undergo a radical change in terms of its concepts, policies, strategies and practices. Different aspects of administrative work in various organizations have been replaced by IT. In order to meet the varying demands and challenges of HRM, organizations adopt E-HRM or digital HRM, which are both used interchangeably. The electronic management of human resources provides the organizations with the procedures, decisions, relationships and structures required to exercise the various HR management functions within the organization. The current study has been conducted to examine the effectiveness of E-HRM practices and employee productivity HR process and hence the research study was both exploratory and descriptive in nature. Individuals employed in the senior, middle and entry level positions along with the CHRO's (chief human resource officers) in the IT and ITES based companies in Technopark constituted the sample frame for the present study Questionnaire was adopted as the research instrument for collecting primary data for the study. The collected data was subjected to statistical analysis including frequency analysis, SEM to make meaningful inferences. Analysis of the data showed that E-HRM practices like e-payroll process, e-employee selfservice, e-hiring, e-performance management, e-rewards, e-learning and development have a significant impact on the performance of the organization. Hence, it is recommended that organizations move towards E-

HRM practices in order to improve the performance of their organization. Further, the people benefit was realized by E-HRM practices like improved job satisfaction, motivation at work, improved productivity and improved organizational performance. Similarly, the process effectiveness introduced by E-HRM practices like cost effectiveness, quick decision making and easy data access also enhanced organizational performance. Yet another significant finding made from the results is that the personnel effectiveness as well as the process effectiveness induced by E-HRM practices mediated the relationship between E-HRM and employee productivity.

Index Terms - E-HRM , E-recruitment, E-learning, E-performance.

INTRODUCTION

E-Human Resource Management refers to the management of human resources using digital or electronic technologies. Increased digitization is revolutionizing the HR department and the manner in which it serves the organization. E-HRM practices enable the HR department to enhance the performance of the workforce; thereby, improving the organizational performance. Five key trends that were observed in the adoption of solutions by Accenture in their report 'The digitization of Human Resources – E-HRM technology comes of age' include 'Human resources goes digital', 'Human resources becomes decentralized', 'Human resources knows the business', 'Human resources adds svalue', and 'Human resources wins over the boredom.' According to the report, factors that result in voluntary turnover, data analytics that improve the hiring and retention rates, and the factors that enhance faster hiring times and reduce the time spent on creating new job requisitions can be easily identified by the HR department with the help of E-HRM solutions. Further, it was also reported that E-HRM solutions enable oversight and governance, standardization of

processes, enhanced delivery speed, and greater monitoring capability for the organizations. E-HRM has been regarded with fascination and academic interest in a number of employment and social research studies. As a result, the E-HRM is also referred to as digital HRM in a large number of research studies and therefore, E-HRM and digital-HRM have been used interchangeably throughout the present study

STATEMENT OF THE PROBLEM

The electronic management of human resources provides the organizations with the procedures, decisions, relationships and structures required to exercise the various HR management functions within the organization. The use of technology and computer applications has revolutionized the management of human resources in all sectors, in particular the IT and ITES sector which requires the human capital for achieving strategic goals and to achieve competitive advantage. Problem statement aims at:

1. An effort is also made to identify the problems and inadequacies associated with EHRM practices.
2. Identifying the key performance indicators that assess the effectiveness of E-HRM platforms.
4. E-HRM contributions to the employee productivity.

OBJECTIVES

1. To find out the relationship between e-HRM and employee productivity
2. to examine the factors influencing e-HRM
3. To find out the significance difference between Demographic variables and e-HRM

RESEARCH METHODOLOGY

Research methodology pertains to the deployment of certain research methods and how they impact the results of the research. Methodology is the base of the research study and it includes an elaborate description of the methods/ tools and techniques that is used to achieve the study objectives. The present chapter details the research methodology employed in the present study, the research purpose, sampling technique, sampling calculation, pilot study, the data collection process and data analysis methods

TYPES OF THE RESEARCH

The study is a combination of both exploratory and descriptive research design to address the E-HRM practices that can be compared with traditional HR practices and to elaborate the benefits of adopting E-HRM practices.

AREA OF THE STUDY

e-HRM in Technopark is the focused area of the study. Data collected from the selected companies in Technopark

SOURCES OF DATA

There are two sources of data for the study mainly primary data and secondary data.

PRIMARY DATA

The primary data required for the study was collected using a structured questionnaire from 350 respondents who are the employees of the IT and ITES organizations in Technopark.

SECONDARY DATA

The secondary data sources include books, magazines, research journals, periodical reports of various IT and ITES companies.

POPULATION OF THE STUDY

Employees from selected IT companies in Technopark are the population of the study. Employees in Argent software ltd. AR software solution and Aryansinfoway Pvt ltd. Are the population of the study. Total 3500 employee in these selected companies.

SAMPLING TECHNIQUES

Simple Random Sampling technique was used

SAMPLING DESIGN

For collecting primary data, random sampling technique will be employed in the study.

DETERMINATION OF SAMPLE SIZE

Total 3IT firms have been selected for the study. The selection of the firms has been based on Convenience of this study.

The 3IT firms selected for study are:

- Argent software ltd
- AR software solution
- AryansinflowayPvtltd

Sample size for this study was determined by using mean method [350]. The mean method define as number of standard deviations point on a distribution is away from the mean. The formula used to determine the accurate sample size by mean method is presented below

$$n = \frac{Z^2 s^2}{d^2}$$

n = Sample size

z = Standard score associated 95% of Level of confidence (1.96) = estimate of standard deviation in the population

d = Acceptable margin of error for mean being

s- Estimated Acceptable margin of error = 0.016

Sample size: 350

SAMPLING TECHNIQUES

Random sampling method was used for this study.

METHOD OF DATA COLLECTION

For the purpose of primary data collection, a well-structured questionnaire was designed. There were two sets of questionnaires, one for the employers and one for the employees. The first set of questionnaires for the employees consisted of 3 sections as given below: - 1. Demographic details 2. Measure of E-HRM 3. Productivity of employees

HYPOTHESIS OF THE STUDY

- Null hypothesis: There is no significance difference between demographic variables and opinion about e-HRM.
- Alternative hypothesis: There is significance difference between demographic variables and opinion about e-HRM.
- Null hypothesis: There is no significance difference between demographic variables and opinion about Productivity

- Alternative hypothesis: There is significance difference between demographic variables and opinion about productivity.

DATA DISCUSSION

Null hypothesis: There is no significance difference between demographic variables and opinion about e-HRM.

Alternative hypothesis: There is significance difference between demographic variables and opinion about e-HRM

Chi – square Test

Table No.1

	N	Chi-value	P-value	Significant value
Gender * e-HRM	350	59.702	0.523	0.05
Age * e – HRM	350	178.486	0.58	0.05
Experience * e-HRM	350	199.11	0.197	0.05
Income * e-HRM	350	197.515	0.219	0.05
Education * e-HRM	350	54.138	0.721	0.05
Industry * e-HRM	350	69.548	0.987	0.05
Position * e-HRM	350	163.172	0.008	0.05

The Chi -square test analysis between demographic variables and opinion about e-HRM is exhibited in Table No.1. The demographic variables include Gender, age, Experience, Income, Education, Industry and position.

The above table clears that the Chi-Square statistic, (Gender and e-HRM) $\chi^2 = 59.702$ and the p value is 0.523. Because the p value is more than 0.05, the null hypothesis is accepted. It means that there is no significance difference between gender and opinion about e-HRM.

The table clears that the Chi-Square statistic, (age and e-HRM) $\chi^2 = 178.486$ and the p value is 0.58. Because the p value is more than 0.05, the null hypothesis is accepted. It means that there is no significance difference between age and opinion about e-HRM.

The table clears that the Chi-Square statistic, (experience and e-HRM) $\chi^2 = 199.11$ and the p value

is 0.197. Because the p value is more than 0.05, the null hypothesis is accepted. It means that there is no significance difference between experience and opinion about e-HRM.

The Chi-Square statistic, (income and e-HRM) $\chi^2 = 197.515$ and the p value is 0.219. Because the p value is more than 0.05, the null hypothesis is accepted. It means that there is no significance difference between income and opinion about e-HRM.

The Chi-Square statistic, (education and e-HRM) $\chi^2 = 54.138$ and the p value is 0.721. Because the p value is more than 0.05, the null hypothesis is accepted. It means that there is no significance difference between education and opinion about e-HRM.

The Chi-Square statistic, (industry and e-HRM) $\chi^2 = 69.548$ and the p value is 0.987. Because the p value is more than 0.05, the null hypothesis is accepted. It means that there is no significance difference between industry and opinion about e-HRM.

The Chi-Square statistic, (position and e-HRM) $\chi^2 = 163.172$ and the p value is 0.008. Because the p value is less than 0.05, the null hypothesis is rejected. It means that there is significance difference between position and opinion about e-HRM.

Null hypothesis: There is no significance difference between demographic variables and opinion about Productivity

Alternative hypothesis: There is significance difference between demographic variables and opinion about productivity.

Null hypothesis: There is no significance difference between demographic variables and opinion about Productivity

Alternative hypothesis: There is significance difference between demographic variables and opinion about productivity.

Table No.2

	N	chi-value	P-value	Significant value
Gender * e-HRM	350	19.558	0.812	0.05
Age * e-HRM	350	60.072	0.907	0.05
Experience * e-HRM	350	121.13	0.001	0.05
Income * e-HRM	350	61.585	0.914	0.05

Education * e-HRM	350	23.223	0.62	0.05
Industry * e-HRM	350	40.198	0.883	0.05
Position * e-HRM	350	64.312	0.118	0.05

The Chi -square test analysis between demographic variables and opinion about productivity is exhibited in Table No.5.13. The demographic variables include Gender, age, Experience, Income, Education, Industry and position.

The above table clears that the Chi-Square statistic, (Gender and productivity) $\chi^2 = 19.558$ and the p value is 0.812. Because the p value is more than 0.05, the null hypothesis is accepted. It means that there is no significance difference between gender and opinion about productivity.

The Chi-Square statistic, (age and productivity) $\chi^2 = 60.072$ and the p value is 0.907. Because the p value is more than 0.05, the null hypothesis is accepted. It means that there is no significance difference between age and opinion about productivity.

The Chi-Square statistic, (experience and productivity) $\chi^2 = 121.13$ and the p value is 0.001. Because the p value is less than 0.05, the null hypothesis is rejected. It means that there is significance difference between experience and opinion about productivity.

The Chi-Square statistic, (income and productivity) $\chi^2 = 61.585$ and the p value is 0.914. Because the p value is more than 0.05, the null hypothesis is accepted. It means that there is no significance difference between income and opinion about productivity.

The Chi-Square statistic, (education and productivity) $\chi^2 = 23.223$ and the p value is 0.62. Because the p value is more than 0.05, the null hypothesis is accepted. It means that there is no significance difference between education and opinion about productivity.

The Chi-Square statistic, (industry and productivity) $\chi^2 = 40.198$ and the p value is 0.883. Because the p value is more than 0.05, the null hypothesis is accepted. It means that there is no significance difference between industry and opinion about productivity.

The Chi-Square statistic, (position and productivity) $\chi^2 = 64.312$ and the p value is 0.118. Because the p

value is more than 0.05, the null hypothesis is accepted. It means that there is no significance difference between position and opinion about productivity.

FINDINGS

1. The Chi square analysis shows that there is no significance difference between demographic variables and opinion about e-HRM except position. That is opinion about e-HRM varies with position of employees.
2. The Chi square analysis shows that there is no significance difference between demographic variables and opinion about employee productivity except experience. It means that there is significance difference between experience and opinion about productivity.

SUGGESTIONS

1. In Indian economy, the IT sector is one of the strongest pillar. It can be said without doubt that the implementation of e-HRM system is satisfactory in most IT sectors. Also, favorable productivity results will lead to realization of the importance of these systems for the overall productivity and growth of the firm. These systems can help the IT firms to become more competitive and dynamic in the global business environment.
2. The awareness levels of the e-HRM systems can be improved at all levels. Currently it is found that awareness is the highest at the topmost level of the employees. All employees should be aware of the e-HRM facilities so that they can fully utilize the facilities for their growth and development.
3. IT firms are facing a variety of challenges, the most significant being – the best use of their present resources and compete with peers on the basis of e-HRM practices. The Cooperative sector is lagging behind in the implementation for e-HRM practices. They need to make significant investments for upgradation of their e-HRM systems to maximize technology gains and improve the productivity of their employees.
4. “Besides this, a few innovative ideas should be welcomed from the already working employees of IT firms regarding e-HRM systems, so that the actual implementation can be improved there.

And the practices which are already being implemented in these firms should be practiced at a higher level keeping in mind the present era of competition where you cannot think of postponing things because of the concept of „If not now, then never“.

CONCLUSION

In the present economy which is based on competitiveness, the banking sector in a developing economy like India is facing a lot of competition, shortage of talent and skill set. Hence, the employees of the banking industry are as important as the customers that they are serving, for proper functioning of the IT sector. Every firm is trying to create a favorable working environment for its employees and trying to cut expenditure while doing so. e-HRM systems increase the effectiveness and efficiency in electronically providing facilities to the employees, as a result of which it is a win-win situation for both the firm and the employees. There is no second opinion about the fact that the employees are the most treasured resource of an organization. For a firm, the challenges faced in the HR management of the employees are mainly getting the right people on board, Training/development of these resources, providing the right and latest facilities like e-learning to these resources and managing the separation of the resources. All these challenges actually impact the overall performance of the IT organization. Hence, the main focus of this study was to understand the concept of e-HRM system and its impact on employee performance.

The study has been carried out on 350 respondents from the IT Industry, taking their views on the e-HRM system that is implemented in their organization and its impact on the Organizational performance. After reviewing and analyzing the results of the study, it was found that employees under study agreed that e-HRM system was present in their organization.

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