

## **E-HRM: A need of this era**

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**Abstract:** In today's demanding world, Information and Communication Technologies (ICT) play a fundamental role not only in creating new opportunities and delivering competitive benefits to the organizations but also enable them to carrying on routine organizational tasks via the power of virtual work environment in an ingenious ways. In recent years, electronic human resource management (E-HRM) in western world is becoming more acceptable and most of the big and leading companies considered its application to be very effective but, still its full potential needs to be understood in rest other parts of the world. Any e-HRM installation exercise if taken up in the right perspective while keeping all the challenges in mind can take an organization a long way towards prosperity and manage better the company's foremost resource- its people. Therefore, this paper focuses on the framework of e-HRM and while thrashing out some benefits of it and ascertaining the challenges associated with its implementation some suggestions will be offered for enhancing the effectiveness of e-HRM systems.

**Keywords:** Human Resource Management (HRM), Electronic Human Resource Management (E-HRM), Electronic Human Resource Management System (E-HRMS), Information and Communication Technologies (ICT), Information Technology (IT).

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### **Introduction:**

Over the past decades, with the rapid development and spread of technology, mainly the usage of internet and computer technology many great changes have been brought to our economy, society and culture. With the fast development of these technologies, a new wave of human resource technology known as electronic human resource management has emerged (Hooi, 2006). The term electronic human resource management (E-HRM) was first uncovered in 1990s. E-HRM is fusion of two words that is "E" which means Electronic and "HRM" which means Human Resource Management. This fusion form suggests planning, application, implementation and involvement of information systems in sharing of HR activities through networking and supporting performance activities (Strohmeier, 2009). Basically, E-HRM employs information technology (IT) which provides online real-time human resource management solution by taking advantages of latest web application technology.

### **Framework of E-HRM:**

Human Resources Management is a special expertise that helps in making some plans and policies and determines some activities to achieve workforces satisfaction and organizational goals (Abtahi, 2005). The concept of the Human resource management becomes clear when one looks at the developmental direction and the position it has taken in today's world. Nowadays, organizations are transforming and rearranging their workflow processes from industrial to informational age with the help of effective utilization of technology (Ensher; Nielson & Grant-Vallone, 2002). Therefore, HRM is also subjected to the transform its process to electronic human resource management. In order to achieve the objectives like improving efficiency and business processes, customer care services, improvement in the strategic role of human resources etc., organizations have started to employ facilities offered by e-HRM. Web-based HR, Business-to- Employee (B2E) (Huang, Jin, & Yang, 2004), Virtual HRM (e.g., Lepak & Snell, 1998), Computer-based human resource management systems (CHRIS) (Ruel; Boundarouk & Looise, 2004; Strohmeier, 2007) have also used the same phenomenon as E-HRM.

Strohmeier (2007) describe E-HRM as the application of information technology which creates network and support between at least two individual or collective actors for performing of HRM activities. Whereas, Ruel and colleagues (2004) define e-HRM as a technique of implementation of various HRM strategies, policies and practices within organizations by means of supporting and using of web-based technology channels. In addition to e-HRM, it can also be term as virtual HRM (Lepak & Snell, 1998), web-based human resource, (Huang, Jin, & Yang, 2004), computer-based human resource management systems (CHRIS) (Ruel; Boundarouk & Looise, 2004; Strohmeier, 2007).

### **Benefits of Electronic Human Resource Management System:**

By reviewing the relevant literature, this paper extracted some benefits of E-HRM from various studies which are as follows:

- Transforming Human Resource professionals from administrative paper handlers to strategic partners by providing paperless office.
- The automation of routine Human Resource tasks and replacing “filing cabinets” (Davoudi, Fartash, 2012).
- Decentralization of Human Resource's crucial endeavour by lessening human bias (Kaur, 2013).
- The core area of work of HR becomes simple that is recruitment, selection, and assessment.
- Quick feedback is possible to the queries and grievances of the manpower at workplace.
- It leads to a more transparency in system and better work culture by providing user-friendly interface.
- E-HRM has the capability to influence both efficiency and effectiveness which can be affected by improving competence to make better as well as quicker decision.
- Easiness in administrating employee's records also assist in lessening the administrative workload.
- It encourages and facilitates in making strategic decision for the organization as a whole which also prevents time. (Swaroop,2012).
- It is not easy to handle no. of employee's data from multiple locations by improving record keeping system. Thus, e-hrm helps us to deal with such problem fairly & quickly and further, E-HRM can also save costs while maintaining the quality of data.
- Access to archived records and documents of Employees & time managers self-manage employee management.
- Standardization and automation of work helps in Considerable reduction of administrative burden
- A more dynamic workflow in the business process, productivity and employee Satisfaction.
- By using technology, maximal information can be delivered to employees about what they are eligible for.
- A more dynamic workflow in the organization
- Easy access to ESS training enrollment and self-development.

After highlighting some of the benefits of the implementation of the new system of e-HRM, we can say that it will upshot in the optimal performance of tasks of HR area in organizations. The organization will have comprehensive information about individual employees through the use of e-HRM. Besides, employees are also able to retrieve their records and documents to use them and even to update them if necessary.

### **Challenges associated With implementation of E-HRM:**

E-HRM has a huge challenge as it has to be accepted and adopted by the human capital. Still, the potential of E-HRM is under-utilized and human beings do not understand the ease of using them and recognize the potential benefit of the same. It is essential for the HR personnel to understand and accept E-HRM as an asset rather than a system introduced to replace the manpower. A website cannot ever replace a skilled HR professional because an organization cannot depend on technological website to handle the issues related to HR. Sometimes, employees need to discuss their queries and issues personally with the HR professionals.

E-HRM has also reduced face to face discussion. Another challenge posed on the E-HRM is a system or software develops for one organization may be varies from the system or software develops for another organization due to their different needs and requirements. It implies that no software is yet developed which fulfill the need and requirement for each and every organization. This may also leads to occurrence of cost. Not every organization is able to adapt E-HRM because, it is considered as the costly process. Organizations can make priorities and take the decisions of acceptance and implementation of E-HRM on the basis of essential and desirable operation.

Cost incurs on maintaining security and privacy policy is also much higher than the traditional method of HRM because software developers charges very much for the software which provide security and privacy. Even though E-HRM system provides for security, still there are some lacunas in the system of technology which directly or indirectly affects the E-HRM. The other challenge is IT literacy and adaptability by the employees. Implementation of E-HRM is a costly process because huge investment is require to done in providing IT literacy to the employees of the organization. Lack of necessary and appropriate qualification of the employees may also leads to misuse of the information which may eventually leads to various problems in the organization and apart from this fraudulent use of this system can also be occur by making manipulation in the information, launching viruses or sabotaging the other system within the organization and lead to unexpected and undesired result (**Robeyetal., 2001**).Furthermore, traditional working culture also affects

implementation of new system in an organization because it is in the nature of human being that they don't adopt changes easily and wants to work in a manner in which they are doing their work from years. So, it also poses a great challenge on the organization that opts for E-HRM in their organization to convince their employees to utilize technology which will assist them in generating better and improved results as compared to the existing process.

### **Recommendation for enhancing the Effectiveness of E-HRM System:**

At present, Modern businesses are taking appropriate steps for the implementation of IT in the key sphere of human resource management, which empowers the employees to make their optimal contribution to the availing the competitive advantages. And these advantages can only be avail by proper adaptation and installation process which in turn requires the correct perspective to overcome the above mention challenges. So, It is advisable to consider some of the important factors, which are as follows:

- **Security and privacy policies:** It is requisite for the employers to have vigorous security and privacy policies for their IT systems and acknowledge the same to their employees. It is also regarded as imperative to let them know appropriate and acceptable terms of manoeuvre of IT at their workplace.
- **HR intranets:** HR Intranet plays important role in reshaping the e-HRM by providing Business to Employee services in an organization. It allows a single point of access to suite of HR applications and to an authoritative source of HR policy and guidance mainly to three main targeted groups namely- employees, line managers and the HR function itself.
- **Flexibility in the Utilization of HR Technology:** The probability of technology obsolescence can be lessening by assessing the flexibility of the solution prior to its implementation. It is essential to ensure the flexibility in the solution so that changing needs in the future can be adapted easily because business organization exists in dynamic environment and the demand of these environments should be taken into consideration while developing new policies and changing and expanding the existing policies related HR.
- **Adaptability:** As mention in the above recommendation that technology use for the HRM should be flexible because every organization has its dynamic environment, it is constantly changing. In an organization, it poses both threats as well as opportunities. Consequently, organization has to adapt itself in accordance with the requirements of the environment. It is also advisable that these technologies should be adaptable in supporting to the available resources.
- **Technical training and communication:** Dynamic environment always requires additional training at the workplace to ensure that the potential issues have been addressed properly. Training and development is generally the realm of the HR dept and this creates yet another challenge for the HR managers. To overcome from these challenge HR managers must determine what training is necessary and after that proper training measures should be implemented to ensure all workers have adopted with technical changes. Appropriate communication of the various training plans are also required to be made with the workforce.
- **E-learning:** E-learning is contemplated as unify approach to learning and development. It plays a significant role in dispensing the employees with the ample knowledge and understanding. The greatest robustness of the e-learning lies in its potential to render a consistent level of training when and wherever it is needed.
- **Filling the technical positions:** it is recommended for the HR manager to determine when they may provide training to the existing workforce and when they must search for new workers to fill technical positions within the workplace.
- **Monitoring and feedback:** e-HRM process does not end only at its implementation. It goes on, still further. That is why; successful implementation should always be followed with the regular or periodic follow up to ascertain its desired results in time. If desired results are not achieved, its reasons should be ascertained and efforts should be made to obviate them, to achieve the desired objectives of HRM.

### **Conclusion:**

Human resource is envisaged as one of the indispensable resources of any organization; consequently, they are necessarily meticulously managed. The purpose of human resources management is to make sure that a company has the right number of people with the required abilities, knowledge, skills and competencies, in the right place, at the right time, at an affordable cost and who are prompted and always determined to achieve the need of an organization. The change has been instigated and in the next few years these changes shall be significantly seen in the HR function and the wave of changes is in greater proportion in the western part of the world but the ripples are already being felt in developing and the under-developed countries. Due to upshot of

information technologies (IT) and evolvement of e-HRM, organizations have become more competitive by reducing costs and improving productivity, quality, and profitability in HRM area. Nowadays, many technological applications have emerged which cover almost every “traditional” human resources management (HRM) activity and this is not only complementing to traditional HRM, but often even substituting it (Martin, Alexander, Reddington, & Pate, 2006). Advanced E-HRM systems also take away the burden of administrative task from the Human Resource department. They give the opportunity to the HR to collect and analyze complex data, evaluate effectiveness of numerous functions and feasibility of various strategic organizational tasks from the human capital perspective and let them contribute to more value added roles (Yusoff et al., 2011).

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