

Transforming HRM through Technology: - Future of HR

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“Strive not to be a success, but rather to be of value”

- Albert Einstein

Abstract:

Human resource plays a vital role in any organization; Investment on human resource comes up with return in the form of higher productivity, higher motivation and profitability. E HRM has shifted the traditional ways of doing HR tasks into innovative one. Organizations are adopting the latest technologies to cope up with dynamic environment. Human resource is playing two way roles in adapting E HRM in business; on one hand employees of the organization are responsible to actualize electronic ways and operations. This paper focuses on the concept of electronic human resource management and how it is impacting human resource operations of an organization. It also reveals how virtual teams are being managed by adopting latest human resource methodologies. Further it explores how jobs are being designed and how the ways are being changed to manage the employees in virtual era.

Keywords: Virtual era, e-HR, HRM strategy, Organization operations, Electronic methodologies

I. INTRODUCTION

E HRM is bringing transformations in the ways of working and managing the human resource functions in the organizations. It proposes a framework for identifying, understanding, and co operating the changes in HRM occurring due to introduction of the IT technologies in HR field. This paper also reveals the various IT tools which helps in completing HR operations. Earlier IT was only extended to personnel management and payroll processing but with the passage of time and with new innovations in IT sector HRM faced a giant organizational change in terms of human resource function and employee support service. The scope of HRM has been extended from recruitment to career planning from personal information to insurance claim and from training to organizational development. The introduction of E HRM in HR field has just simplified the tasks and has also reduced the clerical work in the organizations. Electronic HRM is easy to use and employees access the information anywhere at any time just by using internet. A research has revealed that the introduction of electronic HRM has reduced the HR related inquiries by the employees which help to save and utilize the time effectively and efficiently. IT based HR system brings transparency in HR practices with online access with update records with in the fraction of seconds. It has increased satisfaction of employs because of quick response on HR operations. Further E HRM has reduced the bureaucratic bottlenecks in public organizations; it has improved the functional efficiency of HR employees by providing better services to their internal customers called employees.

II. REVIEW OF LITERATURE

Sriram and Arumugam (2016) conducted a research on how e-commerce technologies have twisted the place of work; moreover the study focuses on studying the impact of IT on jobs and services. The paper focuses on recognizing and appreciating the various modifications in the framework of business difficulties faced in competitive world.

Li and Maolin (2015) revealed that many firms have swapped face to face management actions with electronic human resource management in short E-HRM. E-HRM assists the HR function to generate operational potential and directly affects HRM efficiency.

Azeem and Marsap (2015) carried out research in the banking sector of Pakistan. The sample size of the study was 50. Study measures the impact of e-commerce on the performance of the organization. The results of the study revealed that there is a positive relation between e-commerce and organization performance.

Sinha and Mishra (2015) conducted a research to recognize different tools and techniques used in Indian organizations. Moreover study also tries to identify the difference in use of (electronic human resource management) E-HRM tools in relation to private vs. public and manufacturing/mining vs. services. The researcher used one sample t-test, paired sample t test, and one way ANOVA to examine the results. The study reveals that all the E-HRM tools are not fully utilized in Indian organizations and private organization.

Nivlouei (2014) conducted a research to study the gap between proper attentions regarding the implementation of E-HRM in the era of globalized world. The present study also proposed a model to recognize the nature goals, plans and strategies, applications and E-HRM system results in order to illuminate the role of this system.

Yvette et al (2005) attempted to find HRM strategies developed to settle the varying customer services linked with B2C e-commerce in retail banking sector in Australia. Moreover study also study about how HRM strategies have helped to achieve e-commerce capability.

III. OBJECTIVES OF THE STUDY

- 1) To understand the role of technology in HRM in current era.
- 2) To gain insights how E HRM is changing traditional HR operations.
- 3) To understand the challenges faced by HR Professionals in application of E HRM.
- 4) Benefits of using in E HRM.

IV. RESEARCH METHODOLOGY

The purpose of research is to reduce uncertainty. The research methodologies of this research will include a combination of theoretical analysis and an empirical study of E-HRM. The paper is completely a conceptual one whose basic foundation comes from various secondary sources like research articles in Journal, published and unpublished scholarly papers, and books, various international and local journals, newspapers and websites. In this research inductive and deductive methods are used to know the linkage of technology and HRM.

E- HRM: - Changing dimensions

The rapid development in the science and technology especially the usage of internet and computers has brought drastic changes in the nation, society and culture. When HR department make use of internet and related technologies to accomplish their activities then the complete procedure becomes E- HRM where E stands for electronic. From last few years latest inventions in technologies are forcing the organizations to change face to face human resource management activities with electronic HRM. Earlier all the HR related work was maintained in piles of books with no data record. But with the change in time use of internet in the organizations has helped in maintaining a proper record, reduced the time and distance constraints which helped the companies to accomplish their task efficiently and effectively. HRM consist of various steps which includes staffing, selecting the best person, paying regular pays to the employees, retention, appraising and promoting the employees and doing necessary planning within the organization.

Today every individual have internet in their hands with prompt growth of internet all the working conditions, methods have been changed. Introduction of E HRM has simplified the tasks of organizations, as it supports all the HR functions. Earlier all HR activities were done manually which was quite time-consuming and costly too. But with the birth of E HRM all HR related activities are now being done through internet which helps in the smooth functioning of all activities which are carried out in company.

1. E-HRM facilitate the administrators, all the staff members to examine, extract, and alter the information which is required for running the HR department in a particular organization.
2. HR managers are relying more on tools, techniques and technology for gathering piece of information which helps them to take sound decisions which can lead to the victory of the business as a whole.
3. IT sector has the capability to lower down the managerial expenses, by eliminating the duplication of the work done in different areas of department.
4. It also helps to enhance the efficiency/output, builds up the strong communication channels, improves decision making, and increases the customer services.
5. E-HRM also supports the organizations in collecting the data, analyzing the capabilities, recruiting the new employees, giving regular pays, giving promotions and terminating the employees and their performance appraisal.
6. E-HRM is also letting HR staff free from mediator roles which help the employees to put all their focus on planning the right things and doing them in a right way.
7. E-HRM also eased the work of many organizations by providing the facility of selecting candidates online through various online sites like naukari.com, monster etc and various tests are conducted online in order to check the knowledge, attitude, and behavior.
8. Many organizations are also providing online training to their employees, with the help of many applications like web based learning, computer based learning and making it available at anytime, anywhere.
9. Implementation of internet in HR in organizations has also reduced the paper work which can also helps in saving time and money.
10. Introduction of E- HRM stream has helped the organization to maintain a proper record of database of employee's past work, education, membership, leave record, skills etc.

V. HOW E HRM IS CHANGING HR OPERATIONS

Introduction of E HRM has really brought a very positive effect in solving the real problems of business. The manner people were functioning and served in the organizations has totally changed. Earlier employees have to do regular meetings in order to solve the business problems, gets ideas and suggestions to accomplish task but now it has been replaced by e-mails, and computerized alert which in short saves the time and leads to more productivity in the organization. Advancement in technology has just changed the working pattern of HR department. Following are the positive aspects used in HR stream with the introduction of E-commerce.

1. It leads to the effective communication in the organization with right person at right point of time.
2. Now a day's many organizations are using e-recruitment process in order to select, hire, recruit and track the candidates for job. This facility has helped the organizations to have more choices.
3. Introduction of e-commerce has cut down the work load of HR personnel by giving the facility of evaluating the hr policies and practices of the whole organization online.

4. It also helps in generating various reports like sales target, turnovers which are required on regular bases to take decisions for the whole organization.
5. E-commerce has helped the organizations in tracking the existing employee's details like skills, abilities, salary, authority and designation with the help of HRIS (human resource information system) which was earlier done manually.
6. It helps the organization to computerize the total time and attendance documentation of the employees to record the in and out time of the employees.
7. E-commerce also helped the employees in managing their own affairs of leave status and tax returns and helps to run the payroll as per the standards set by the system.

CHALLENGES FACED BY HR PROFESSIONALS IN APPLICATION OF E- HRM

Daily new invention in the technology has altered each and everything. The new ways of producing the things, methods for hiring the employees, teaching techniques in the organization is being used. Change in technology has increased the level of complexity in the working patterns of organizations which in short created many problems for the employees.

1. Private or secret information of the companies can be wrongly used by the competitors.
2. Growing challenges in the technology is actually creating problems for the managers to get the work done from employees in effective manner due to lack of knowledge of employees in technical stream.
3. Cost of making investments in electronic human resource system is very high.
4. Advancement in technology has also increased the cost for training the employees in order to get maximum output from them.
5. There is a lack of availability of skilled personnel to handle the different areas like telecommunication, retailing, banking etc where high technical knowledge is required.
6. The major concern due to technology development is flexibility with organizations which looks at the various apparatus that incorporate with internet, and the major problem is with the data isolation, safety.

WHY A COMPANY GO FOR E – HRM.

1. **ENHANCE HR EFFICIENCY:**-HR operational efficiency can be improved by using E commerce, cause it helps in reducing infrastructure, training and other indirect cost, saves time and by enhancing the ability to distribute HR information where needed.HR efficiency is improved by utilizing the saved time in strategic work earlier used in administrative work .
2. **REDUCTION IN COST:** Technology in HRM also helps in reducing the cost of HR functions for example recruitment, selection, training and development. E training reduces costs like printing material, cost of instructor and other indirect costs like downtime of workforce and traveling cost of employees. E learning material can be uploaded without the help of any professional programmer and information can be saved electronically for future use and reference.
3. **TIME SAVING:** - By using E - HRM a company can save lots of time of its employees. When a company uses e learning training modules, an employee need not to leave work for the purpose of training, employee can select type of training and time according to his convenience. Flexibility of E training helps employee to learn according to his pace, he or she can skip irrelevant points and directly go to the points important for him or her. Time saved can be used in more strategic issues.
4. **DEVELOPMENT OF HUMAN RESOURCES:**-The technological changes have made it necessary for employees to learn the new ways of doing a particular task. There is regular need of training and development of employees for coping with the emerging situation. E-HRM has made it easier for employer to provide training programs via E learning techniques. The supreme strength of E training lies in its possibility to provide a reliable and steady level of training to its employees.
5. **LESSEN CONFLICT:**-Big organizations employ large number of people. More employees' means more conflicts, so it becomes necessary to have an effective human resource information system to tackle the conflicts and problems of employees.
6. **LESSEN BURDEN OF ADMINISTRATION:**- Burden of administration work has been reduced with the use of E HRM, as business organization integrate and redesign the process by automate the business processes and many of the tasks are performed by employees themselves. It serves as a common data base of information of jobs, people and organization. It avoids duplication of work.
7. **ASSIST IN HR PLANNING:** - E –HRM assists HR in manpower requirements, turnover analysis, absenteeism analysis, job description and in work force utilization. With the help of e commerce records and files can be integrated for fast retrieval, cross referencing and forecasting. It helps the organization to focus on decision making rather than on record keeping.
8. **ACCURATE AND DETAILED INFORMATION:**-The data collected by human resource information system helps top management in taking business decisions, with the help of e commerce firms are able to get information needed in best possible manner in lesser time as in traditional methods. It adds value in the function of organization so that firm can take strategic decisions with accurate and detailed information and it becomes more important if organization is geographically dispersed, every branch requires timely information for man power management.

9. VIRTUAL TEAM:-Managing global virtual teams is one of the strategic tasks of human resource management. E HRM implements those technologies for virtual team use which helps in creating a networking platform which helps employees to interact in a way that increases trust and confidence in other team members.
10. STATUTORY REQUIREMENT:-An employer has to comply with several labor laws. E HRM helps in storing and retrieving the data in lesser time so that management can comply with statutory requirement as and when required.

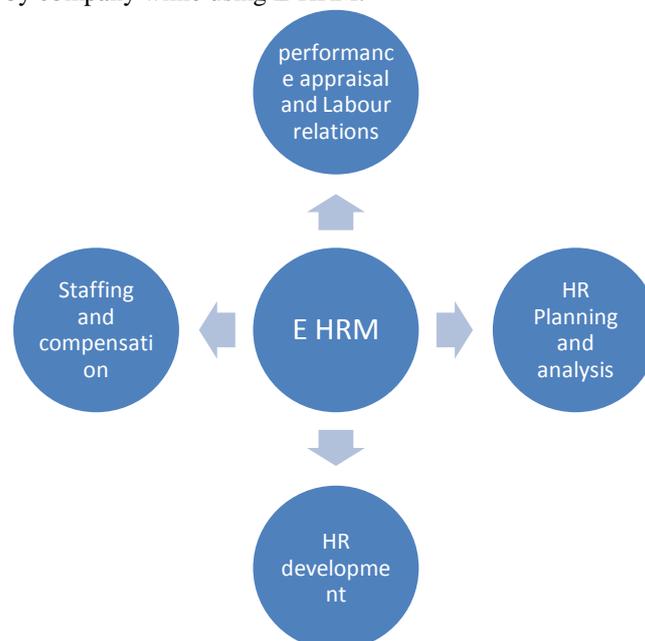
VI. LINKAGE OF HRM AND TECHONOLGY

Fusion of E technology has deep impact on the strategies that has been previously used by employees to interact with the customer. Now customer wants every service should be available 24 by 7 via electronic device. The main challenge for the company is to satisfy the customer without face to face interaction. Organizations need to adopt the new technologies to gain competitive advantage. In service industry linkage of HRM and e commerce is even more important. Companies starve for reducing the cost without compromising with customer satisfaction. Companies are restructuring their business to retain the existing customer and to attract new one. Information technology has changed the way how companies operate and forced the companies to update their processes. Implementation of IT in HRM has number of positive impact on the company but it has darker side too. Some organizations have also faced unpredicted outcomes that management had difficult resolving. Positive side includes improvement in service, lower service costs and provides consistency.

E HRM helps to create economic value if the cost incurred on the technology is less than the benefit gained. Sometimes it's a complicated task for mid sized firms to compete due to scarcity of financial resources and expertise in technology. Customer of today buy the service or product which gives him the best deal, IT has made it easy for the customer to get the information for free about best deal in the market. Power of the customer has been increased as he is getting more and more familiar with the latest technology. The strategic importance of HRM is in implementation of decisions and policies in a manner that helps in achieving the organizations. It includes redesigning of job, training and development, payroll and other HR functions in more proactive manner. It is not only the responsibility of manager but it also needs the co operation of employees. IT has changed the work role of employees and basic skill requirement need to complete the task. Employees feels that IT has gave them ease in access of data which saves their time but loss of autonomy and lack of flexibility is the other side. Repetitive work has made the work monotonous which leads to higher turnover ratio especially in BPO industry. Job satisfaction is the most important factor in retaining the employees. Job dissatisfaction is connected with how job is designed, how training is being provided to the employees and how increment is being decided by the company.

VII. FUTURE OF E HRM

E HRM is changing the approach and techniques the work has been performed earlier and it is impacting the human resource functions and its efficiency in a positive way. Human resource of the organization is the most vital resource of any organization and success or failure of any organization depends upon its human capital which starts as soon as company starts hiring its employees. Fusion of E technology is playing a fundamental role in supporting change according to changing environment. E HRM is a system designed to supply information to the human resource management so that people can be managed in a more effective way. A good system of e commerce and HRM helps a company to allocate its HR cost more effectively without allocating too many resources towards them. E HRM has made training and skill development so easy for the employees with the help of e learning techniques. In future following points needs to be considered by company while using E HRM.



1. To retain skilled people is the biggest challenge in e era, as experts demand higher packages, when resources have gone into trained them for skill development.
2. Outsourcing the tasks when organization is not able to compete with in house configuration of E HRM.
3. Need to share skills and cross trained employees to strategically deal with HR issues.
4. Subject matter experts are needed to train other employees to expand the talent throughout the organization.
5. Change is always opposed by employees, so adaptability is one of the fundamental aptitudes that should be blended in employees for the success of E HRM.
6. Software as a service is making it easy to access the HR information anywhere; it would impact workplace and employees to integrate in a more functional way.
7. Smartphone's have become in separated part of our life, mobile apps are being used in E HRM so that information can be retrieved anywhere and anytime.
8. Performance management system is becoming more comprehensive cause E HRM has makes it easy to track the performance with the new performance management programs.
9. Use of social networking sites in HR functions for example recruitment, employer branding is changing the ways things were used to do traditionally.
10. Enterprise portals is helping in building the social business networks which helps in solving work life balance problems in employees.

VIII. CONCLUSION

E HRM is helping human resource management to develop the strategies that will help to gain edge over competitors. The beginning of electronic era effects the HR in two ways how the employees would work and how new technologies for HRM would be embracing in organization so that the firm can develop new tactics for sustainable growth. As technology has become more persistent the formation of communication between employer and employees has been changed. The integration of HRM with information technology has shaped ingenious HR operations called electronic HRM. That has been widely used by number of organization. A company to gain strategic advantage over competitor invests rationally in E HRM for its future and its success, but it is not just copying the system rather it should be customized to the unique needs of a company so that e commerce and HRM system should be flexible enough throughout the tenure of the company. A company needs to take care of so many things while shifting its traditional HRM into E HRM as how to overcome the challenges that might arise while implementing. For small enterprises it would be beneficial to do cost benefit analysis to know return on investment. A fusion of experience and creativity would be the best way to achieve best results in managing human capital of the organization.

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