A Study on Employees Perception on E-HRM

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ABSTRACT

The trend of automating the workforce management process began during the year 1970 with limited technology and steadily gained momentum since 1990’s. This Human Resource Management System (HRIS) is a form of HR software which is used to combine a number of necessary HR functions, such as storing employee data, managing payrolls, recruitment process, benefits administrations and keeping a track of attendance record. In the era of digitalization, a wave of technological advancement has impacted every sphere including that of HR. A core definition of e-HRM is the planning, implementation and application of information technology for both networking and supporting at least two individual or collectively actors in their shared performing HR activities. The goal of e-HRM is to attain cost effectiveness, improve the morale of internal customers and addressing the business tactics. E-HRM is has become an indispensable in this era of globalisation and whereby the employees spread across the globe are well networked and micro monitored. Today, E-HRM in general gauge the various parameters like age parity and computer technological applications also e-HRM engages the output levels of satisfied employees vis-à-vis other less satisfied employees and gauges their performance against a common backdrop. Application of E-HRM attempts to engage the morale of satisfied employees to reach the pinnacle output and improve the efficiency. Having mentioned all these positive attributes, E-HRM can attain phenomenal growth and reach out on varied aspects of employee engagement which will be happening in the coming years. The main aim of this paper is to analyse the perception of technology initiatives undertaken by the corporates and to assess dissimilitude. The researchers has collected information from 50 employees of IT and non-IT in Chennai through structured questionnaire. It has been analysed using statistical tools and the results are interpreted.

Keywords: Automating, implementation, payrolls, morale, globalisation.
I. INTRODUCTION

Human Resource is used to describe about both the people at work and the department who manages the resources related to employment. It is also called as personnel or talent management which involves managing all the organisations Human Capital. The key responsibility area for HR manager involves the entire spectrum of creating, managing and cultivating seamless relationship between employer and employee Human asset are considered as the most expensive resource in any organization; therefore, they need careful management.

The goal of human resources management is to make sure that a company has the right number of people with the required knowledge, skills, abilities and competencies, in the right place, at the right time, at an affordable cost and who are motivated and determined to achieve the current and strategic need of a firm. The tool which helps in making the Human Resource activity effective is coined as E-HRM, where the HR is intervening with the technology as an outcome of it electronic human resource management evolved. E-HRM practice provides a more efficient and strategic way of working to reach the goals. E-HRM facilitates human resource functions with the chance to create new avenues for committing to organizational success.

E-HRM is the planning, implementation and application of information technology for both networking and supporting a minimum of two individual or collective actors. These functions can be easily accessed through intranet or other web-technology channels. The IT supported HR function is intended to make the HRM function more strategic. The earliest business process to be automated was the Payroll. From then, the new technology was merged with the old process. Recent development in technology has made it possible to create an interactive work environment where the employees and manager are able to communicate easily.

The HR manager can make easy and quick decisions with regards to merit pay decision by accessing his productivity. Likewise the employee can control their personal information, for instance if they want to do the revision of PF contribution everything is just a click away. This empowers the managers and employees to perform certain chosen HR functions and relieves the HR department of these tasks, allowing HR staff to focus less on the operational and more on the strategic elements of HR. This automation has ultimately bought threat to the HR professionals with regards to the employment opportunities.

Human Resource Management executives are feeling pressured by the threat of a new development in recent years due to this automation. Consultants and other experts believe that this innovation decrease the number of HRM employees, reduce costs, and stimulate a more strategic approach by HRM departments. Hubertus Johannes Maria Ruel, Tatiana Bondarouk, Jan C. Looise – Faculty of Behavioural, Management and Social Sciences Fully developed E-HRM can provide the following details like data gathering tools, analysis capabilities, decision support resources for HR professionals to hire, pay, promote, terminate, assign, develop, appraise and reward employees.

1.1 Software Useful For E-HRM (Support Functions)

- ERP (Enterprise Resource Planning)
- Bio-red
- SAP (System Approach & Product)
- HR payroll system

1.2 E-HRM Working Area

- e-Job design & Job analysis
- e- Human Resource Planning
- e-Recruitment
- e-Selection
- e-Performance Management
- e-Training & Development
1.3 Benefits of Using E-HRM

Automated processes that free up management

A large function of HR, as with many other business processes, is data entry and reporting. If you are trying to develop reports without software automation for the HR activities, you probably need to pull data from numerous sources which takes time. This is time that can probably be better spent on more relevant tasks. The organisation that is equipped with E-HRM has greater accessibility and convenience in generating multiple reports. This simultaneously makes it easier to enter and pull data together into reports. And because large parts of daily tasks can be automated, you can ensure that what you need to complete is actually achieved.

Enhanced sharing of information and collaboration

Because HR is a central function of any business, data related to HR needs to eventually be shared with other teams or departments. With the help of different software for HR, data is stored in a central location, or brought together to a central location, which means that data from different sources can be shared faster and easier. This also ensures that the right data is shared, thus enhancing overall outcomes and making it simpler for other teams to work together.

Management gains a clearer picture of HR

It can be tough to gain a short-term picture of your employee resources, especially when it comes to identifying potential resource shortfalls (e.g., double-booked holidays, employees who are constantly late, etc.) and where improvements can be made.

Data is kept up-to-date

As stated above, HR systems usually involve data from various locations. This means that there is always a chance of duplicate or incorrect information. E-HRM software can ensure that the data is not only correct, but also not duplicated, which can in turn speed up decision-making and enable better decisions to be made.

E-HR professionals must understand the limitations and disadvantages that are inherent with these technologies. These factors should be carefully considered when developing any plan to determine the right solution for your business. Therefore, the impact of eHR will be: First, it will be smaller than it has been in the past. Organizations will no longer need scores of clerks to record information and process forms. Second, it will have a more strategic/managerial role rather than an administrative one. Time previously spent on administrative issues will be replaced with time spent on firms’ competitiveness issues. And, third, the human resources function will be able to create new paths to add value to the organization. The HR function can move beyond its traditional focus of hiring, training, compensating, etc. to assume new roles such as human capital steward, relationship builder, and knowledge facilitator (Lengnick-Hall and Lengnick-Hall, in press).

1.4 Objectives

1. To assess whether the usage of E-HRM application is dependent on age.
2. To assess the satisfaction level of employees towards the various user support functions.
3. To assess whether there is any association between employees’ computer knowledge and usage of E-HRM application.
4. To analyse whether there is any significant relationship between gender of the employee and usability of the software.

1.5 Hypothesis

Ho1: Usage of E-HRM is dependent on age.
Ho2: There is an association between employees computer knowledge and usage of E-HRM application.
Ho3: There is no significant relationship between gender of the employee and usability of the software.
1.6 LIMITATIONS
1. The sample size was small and restricted due to time constraints.
2. Data collection was found to be difficult as many companies where not using the eHRM application.

II. RESEARCH METHODOLOGY
The present study is conducted by collecting information from the employees of IT and Non-IT sector from Chennai. A convenience sampling was adopted for the present study. The sample size for the study is fixed as 50. A structured questionnaire was framed to collect information about the employees’ perception towards the user support in their organisation. 5 point Likert’s scale was used to analyze the data.

III. REVIEW OF LITERATURE
E-hr was considered to be positive in technical and strategic aspect i.e the operation of hr activities and the employee behaviour in organisation long run. It also has its negative side where there is no job relevance and ease of use due to technology intervention (Huub Ruel et al). He also further contributed to the study that hr practitioner’s involvement is minimal and there is a further chance of bordering in future. Patricia A.K Fletcher in Transformation of role of human resource in digital age mentioned HR information system (HRIS) which emerged in the year of 1990 where large business adopted these for tie saving and acquaint with employees which was seamlessly automated. It also took any forms for capturing the right and intangible information about the employees which pave way for career planning to both the manager and employees. It was also noted that hr is taking inevitable transformation.

Employees has mere resistance toward transformation of HR (Jan Kees Looise) where employees readily took this transformation but if the employees do not perceive it to be easy to use or useful then the whole management information system goes in vain. If the employees are involved in contributing to the companies intranet and online services this transformation can be called a success. Mark L Legnick-Hall et al studied on the impact of E-HR and stated that the function of human resource manager is smaller than hat it was used to be they no longer need to work on clerical area rather look into the managerial role of the organisation. It also creates high value integration and frugal. Therefore, HR personnel work on the strategic role than off the administrative roles.

Mohamed Shariful Islam (2016) evaluated the practice of electronic HR m as a tool of technology driven hr function in organisation. The purpose of the study is to compare the public and private sector organisation extent of e hr practices in managerial functions and results showed that e hr practice is still lagging behind as a whole and need to be improved.

Analysis & Interpretation
The first part of the study aims to analyse whether the usage of E-HRM application is dependent on age.

<table>
<thead>
<tr>
<th>Chi-Square Tests</th>
<th>Value</th>
<th>df</th>
<th>Asymptotic Significance (2-sided)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Chi-Square</td>
<td>6.584a</td>
<td>12</td>
<td>.884</td>
</tr>
<tr>
<td>Likelihood Ratio</td>
<td>8.629</td>
<td>12</td>
<td>.734</td>
</tr>
<tr>
<td>Linear-by-Linear Association</td>
<td>.267</td>
<td>1</td>
<td>.605</td>
</tr>
<tr>
<td>N of Valid Cases</td>
<td>50</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Values
From the above table, it is found that the chi-squared value is greater than 0.05 and hence the null hypothesis is accepted. This shows that the usage of E-HRM application is dependent on age. This gives a clear picture that age is considered to be an important factor in the usage of E-HRM application. The reason could be that employees of different age group work in the company and that employees with younger age and middle age may find it easy and may work fast in using the application when compared to employees of older age.

The second part of the analysis aims to study the satisfaction level of employees towards the various user support functions.

<table>
<thead>
<tr>
<th>S. No</th>
<th>Variables</th>
<th>Mean score</th>
<th>Weighted mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Quality of work</td>
<td>167</td>
<td>3.34</td>
</tr>
<tr>
<td>2.</td>
<td>Enables to do work quickly</td>
<td>172</td>
<td>3.44</td>
</tr>
<tr>
<td>3.</td>
<td>Improves personal effectiveness</td>
<td>164</td>
<td>3.28</td>
</tr>
<tr>
<td>4.</td>
<td>Issues were sorted quickly</td>
<td>158</td>
<td>3.16</td>
</tr>
<tr>
<td>5.</td>
<td>Usefulness of application</td>
<td>173</td>
<td>3.46</td>
</tr>
<tr>
<td></td>
<td><strong>Overall weighted mean</strong></td>
<td></td>
<td><strong>3.336</strong></td>
</tr>
</tbody>
</table>

Source: Primary data

From the above table, it is found the employees are satisfied at a moderate level towards user support function. The employees perceived that the application was useful hence the response was greater than the overall mean (3.46> 3.336). Employee’s query clarification were unsatisfactory due to delay in help from the user support function such as People Work, ZOHO etc. Hence, the company needs to render a helping hand by clarifying their queries timely to enhance the satisfactory level of the employees. Moreover, from the overall weighted mean it is observed that the employees are moderately satisfied by the usage of this user support system. To improve the satisfaction level employees’ need to be trained about the E-HRM tool.

The third part of the analysis aims to study whether there is any association between employees’ computer knowledge and usage of E-HRM application.

<table>
<thead>
<tr>
<th>Chi-Square Tests</th>
<th>Value</th>
<th>df</th>
<th>Asymptotic Significance (2-sided)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Chi-Square</td>
<td>18.145</td>
<td>12</td>
<td>.111</td>
</tr>
<tr>
<td>Likelihood Ratio</td>
<td>21.710</td>
<td>12</td>
<td>.041</td>
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<tr>
<td>Linear-by-Linear Association</td>
<td>6.303</td>
<td>1</td>
<td>.012</td>
</tr>
<tr>
<td>N of Valid Cases</td>
<td>50</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Primary data; at 95% sig level

From the above table, it is found that the chi squared value is greater than 0.05 and hence the null hypothesis is accepted. This shows that there is an association between employees’ computer knowledge and the use of E-HRM application. From this it is understood that if employees do not have the knowledge of working with computers may find it difficult in working with E-HRM application. Therefore, companies which uses E-HRM application should recruit employees with computer knowledge and provide them training programme in order to work with the application.

The last part of the analysis aims to study whether there is any difference between gender and user support functions.
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<table>
<thead>
<tr>
<th>Group Statistics</th>
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<tbody>
<tr>
<td>gender</td>
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<tr>
<td>User support function</td>
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<table>
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<tr>
<th>Independent Samples Test</th>
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<tr>
<td>Levene's Test for Equality of Variances</td>
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<td>F</td>
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<tr>
<td>User support function</td>
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</table>

From the above table, it is found that the p value 0.796 is greater than 0.05 and hence the null hypothesis is accepted. It is observed that there is no significant relationship between gender of the employee and usability of the software. Since the software is gender neutral the company can implement a common training program to familiarise the software and reap the benefits of effective utilisation.

IV. CONCLUSION

From the analysis of the data, it is found that the usage of E-HRM is dependent on age, gender and computer knowledge. Further if there is no proper/extensive training given to employees’ the scope of usage of E-HRM may be severely handicapped and management may not be able to enjoy the benefits of the E-HRM support functions to aid the organisation. Further, the study also finds that heavy implementation of E-HRM packages /software reduces the scope of human engagement. Hence, it is a threat to employment. Though the employment opportunity is at stake, automation is the need of the hour. Implementation of E-HRM helps to improve the human resource department to work effectively on the other grounds. Due to increased globalisation employees need to access their hr records and other key area by a click away. Employees can have a track on their personal information, their payrolls and other details after effective implementation of user support system.

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