

Innovation in HRM: E-HRM – A Theoretical Overview

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ABSTRACT

In this generation of ever transforming corporate business era nothing is constant but for Technological innovations which shall be referred to as the most efficient, consistent and optimal driving force holding ground, which has literally restructured the thought process of humanity towards life, work culture, the way we live, as well as the mode in which modern day business is being catered. The advent of technological innovations in association with digitized business communication practices have practically led to a revolution in innovation resulting in enhancement and reformation of organizational traits, wherein clear-cut impacts seemed reflecting in all functions of management irrespective of professional barriers. The basic moto of new gen business tied to the corporate success mantra stating “Minimal investment and maximum output”, is challenging the existing business models and services especially in the way of interpreting and delivering output in the market. This approach being emphasised on the notions of reduce, reuse & replicate in line with scalability factor as the key areas of interest are drastically changing the way of engaging business in this hyper connected world. Human Resource Management (HRM), unlike any other profession has progressively being affected as well thanks to this disruptive innovation in technology boasting improved service delivery, efficiency factor, as well as enhancement in standardization & organizational image, which has contributed in transforming the traditional HRM to a strategic platform called e-HRM. This paper evaluates the e-HRM platform, exploring its actual reachability factor towards adding value to traditional HRM with a keen eye on the pros and cons of this innovation, trying to inculcate its impact in reality, identifying whether it is a boon or curse in the trending corporate environment.

Keywords: Human Resource Management (HRM), corporate era, Corporate Success Mantra, Electronic Human Resource Management (e-HRM), Digitization.

1. INTRODUCTION

We are living in an era confronting curiosity, well accustomed to be comfortable with the uncertainty associated with it thanks to this fast-paced environment where both technology and globalization factors are far advancing, thereby bringing world closer by moulding a generation able to adapt to the abrupt changing trends and innovations applicable from management, to all levels & sizes of organizations operating across all industries. Innovation plays a vital role in this scenario, as a catalyst which encompasses ideas & activities that uncovers new methods of getting

things done. Wherein, for any idea to be called an innovation it should satisfy the 3 golden standards measuring: reliability, economic feasibility & the adaptability in catering it's viability to satisfy a specific need.

Impact of this thought process has been reflecting everywhere, wherein researches over the recent years nevertheless shows drastic changes via which human resources are managed as well. Developments in the areas of HRD concepts in the lines of technological optimistic concepts have made it possible to leverage HR activities to be delivered not only via specialized HR professionals, but also via line managers, information technologies and through outsourcing. In addition, this need was fuelled further thanks to the advent of the new gen business corporate success mantra stating "Minimal investment and maximum output", which demanded improvement in efficiency, consistency, quality and customer satisfaction with a strong upper hand in minimizing errors, as well as wastage of resources.

From a functional aspect, e-HRM platform shall be defined as a way of implementing strategies, policies and HRM practices of an organization leveraging proper planning, implementation, and application of information technology that offers a conscious and directed support in administering HR activities. e-HRM literally drives the technological shift of traditional HRM, replacing the labour-intensive approach to a technology intensive aspect via leveraging standard software and tools, which portrays a self-service system model allowing organizations to provide services directly to its employees. The best part is, this innovative model is backward compatible as well, fine-tuned to accommodate all the activities pertaining to traditional HRD concepts developed to manage an employee's whole lifecycle starting from recruitment, selection, training, appraisal and performance management, HRD auditing, etc., to automation of day to day activities, digitized record tracking, as well as incorporation of digital transformational activities that adds up values to an organization on the whole.

E-HRM from a technical perspective shall be referred to as an IT supported HRM, that offers a comprehensive, flexible, & a feature rich model, viable enough to be customized as per organization specific requirements, facilitated via leveraging state of art web-based technologies. Need for development of e-HRM was fuelled due to the advent of the new gen business corporate success mantra stating "Minimal investment and maximum output", which demanded improvement in efficiency, consistency, quality and customer satisfaction with a strong upper hand in minimizing errors as well as resource wastages. Prime focus of this study is biased on the impact of information technology in HRM, or more specifically the e-HRM platform, discussing it's efficiency, pros and cons and actual outcomes, compared at par with the desired expectations of this area being showcased as a means of facilitating a strategic shift in HR as a role to a much more strategic level.

2. e-HRM – SCOPE

Scope of e-HRM shall basically be described via bifurcating this platform into 3 critical functionalities in line with transactional HRM practices;

- a. Operational e-HRM – Focussed on streamlining administrative operations ranging from payroll management to employee personal information etc.
- b. Relational e-HRM – It facilitates administration of supportive business processes via implementation of automation and digitization wherever applicable especially in the areas of recruitment, selection, training, performance management, and other complex HRM practices etc.
- c. Transformational e-HRM – Incorporates the highest and most complex HRM activities, driving the shift from transactional model to a transformational model materialized via digital reimagination / digital transformation, with a notion of creating a change ready workforce aligned as per the organizations' strategic choices that shall be made into practice with the help of integrated web based tools and technologies.

On the contrary, the characteristic scope of e-HRM as a platform compared with traditional HRM model concepts, in accordance to the expectations of new gen corporate success mantra are discussed in trail;

- e-HRM is primarily a decisive initiative aimed at promoting a paperless operation.
- Facilitates higher pace of data retrieval and processing.
- Offers higher level of consistency and accuracy of information handled as well as reports generated.
- Facilitates considerably immediate response to queries.
- Facilitates a qualitative environment of work culture ensuring a mature internal profile for HRM.
- Induces the factors of enhanced clarity & transparency in the HRM system.
- Ensures marginal reduction of bottlenecks pertaining to HRM administration portfolios.
- High end adaptability irrespective of varying client / facilitating management requirements.
- Acts as a single point of contact integrating end to end support parameters pertaining to HRMS, as well as other subsidiary support processes within the company.
- Delivers a dynamic workflow pertaining to administration of business process, productivity and employee satisfaction.

3. E-HRM APPROACHES & REACHABILITY FACTOR TOWARDS EFFECTIVENESS

➤ e-HRM Approaches – A pictorial Overview

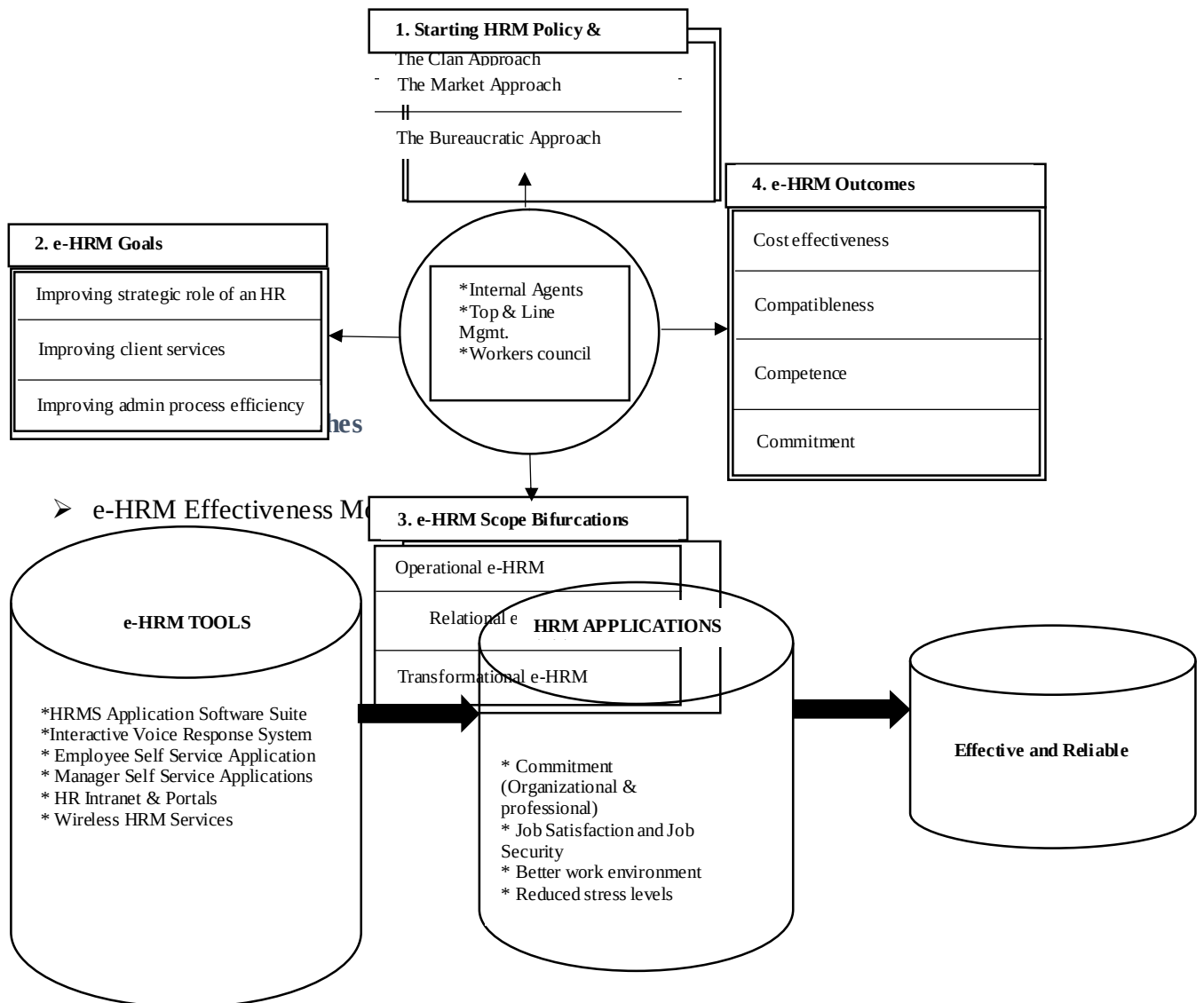


Figure 2: e-HRM Effectiveness Model

e-HRM: AN OVERVIEW OF PROS & CONS PROS

- e-HRM is not confined to location, or timelines.

- Decentralization of HR tasks & standardizes core concepts related to HR practices & policies.
- Improves efficiency incorporating digitization and automation processes wherever applicable thereby marginally reducing timelines for paper work & increase data precision likewise.
- Accelerated effectiveness via offering improvement in competence levels of both leadership & employees to administer better, & quicker decisions.
- Amplified and easy access towards management of HR data, as well as in classifying and reclassifying information, with a keen focus on data privacy & security.
- Facilitates faster response to employee related services, having maintaining a higher internal profile for HR as well, thereby leading to better work culture.
- Emphasizes on a decentralized administration of HR tasks, ensuring a more transparent system.
- Considerable reduction of administrative bottlenecks via strategic orientation of HRMS, backed by effective strategies delivering efficiency gains as well as guaranteed cost reduction.
- Facilitates real time monitoring and management of human resources, catering as a medium for support processes within the company, mitigating demand and supply imbalances.
- Ensures a strategic workflow, offering an adequate, comprehensive & realtime information system guaranteeing a streamlined approach towards business process, productivity and employee satisfaction
- Saves cost parameter without compromising quality of data by minimizing data errors, as well as via facilitating improved control & better tracking mechanisms of HR actions.

4. CONS

- CAPEX implications: From a monetary perspective, e-Enablement is advisable only for operations that are quite essential & critical in nature, aligned as per the business requirements & organization type.
- Data management: Management of huge chunks of data generated via e-HRM, shall pose as a critical challenge for organizations.
- Traditional mindset: Being not viable to adapt to change.
- Operational expenses: e-HRM platform adds to a price tag from OPEX perspectives as well, taking into consideration of tailoring of services attuned with organizational expectations, AMCs and mandatory upgradation activities so as to be compliant with latest security patches etc.
- Specialized knowledge and Training: On one hand wherein e-HRM platform reduce cost of HR personnel, on the other hand it adds up the budget in facilitating periodic training sessions, in addition to raising requirement for technically sound employees to adapt and drive the change likewise.
- Risk on Return of Investment factor: Shall be a possible outcome.
- Consistent monitoring and feedback: To eradicate chances of errors.

5. CONCLUSION

Innovation powered by digital transformation is the vital key towards the long-term growth and success pertaining to any organization. It imbibes an environment of an entirely new way of working focussed on increase in revenue and brand experience making use of the collective

potential of numerous digital forces in defining fundamental new process, services and business models. This is eventually reflecting in what we see and perceive across organizations around us every day. Strategies of HRM are evolving as well in succession, transforming from traditional HRM to a phenomenal strategic HRM model, thanks to being fuelled by this technological shift encompassing multiple traits not limited to expertise in administration, & emphasize on being a people champion with zero compromise on the brand value and market share, which all are ultimately leveraged via making use of latest innovation in technology. To sum up, the e-HRM platform alias the e-catalyst of this century, which offers humongous pros and negligible challenges shall definitely be considered as a boon to the trending corporate environment, that promises to be reliable, resilient and robust innovation offering guaranteed benefits to the operations in the long run, embarking its presence as a true asset to the organization.

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