

# **Impact Of E - HRM In Companies**

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## **ABSTRACT**

Electronic Human Resource Management (e - HRM) is the integration of all Human Resource functions using Information Technology, which may be connected to internet (web based) or may not be connected to internet. To make it simple, if Human Resource Department uses Information Technology to do their routine activities like Recruitment, Selection, Training, Performance Management, and Compensation Management etc., it becomes e-HRM. With the aid of e - HRM, all the data can be compiled at one place and can be used for analysis, reporting and decision making. e - HRM and Human Resource Information System (HRIS) are different. HRIS can be accessed only by employees working in HR Departments but e HRM is for the use of all employees of a company.

## **1. INTRODUCTION**

E-HRM is the (planning, implementation and) application of information technology for both networking and supporting at least two individual or collective actors in their shared performing of HR activities (Reference 1) E-HRM is not same as HRIS (Human resource information system) which refers to ICT systems used within HR departments.(Reference

Nor is it the same as V-HRM or Virtual HRM - which is defined by Lepak and Snell as "...a network-based structure built on partnerships and typically mediated by information technologies to help the organization acquire, develop, and deploy intellectual capital." (Reference 3) E-HRM is in essence the devolution of HR functions to management and employees. They access these functions typically via intranet or other web-technology channels. The empowerment of managers and employees to perform certain chosen HR functions relieves the HR department of these tasks, allowing HR staff to focus less on the operational and more on the strategic elements of HR, and allowing organisations to lower HR department staffing levels as the administrative burden is lightened. It is anticipated that, as E-HRM develops and becomes more entrenched in business culture, these changes will become more apparent, but they have yet to be manifested to a significant degree. A 2007 CIPD survey states that "The initial research indicates that much-commented-on development such as shared services, outsourcing and e-HR have had relatively little impact on costs or staff numbers"(Reference 4)

## **STATEMENT OF PROBLEM:**

- Doing day to day HR activities manually is expensive and time consuming
- Paper based maintenance of Employee records is not safe
- Employees waste more time and energy on collecting and filling up necessary HR related documents like leave application, TA bills etc.,

## **2. OBJECTIVE OF THE PAPER**

To analyze the impact of e HRM in companies

## **3. RESEARCH METHODOLOGY**

Method: Qualitative

Design : Scientific

Sample Size : 50

## **LIMITATIONS**

- Method of Research : Qualitative
- Demography : Two Companies located at Coimbatore, all participants are of same age group with equal number of men and women
- Sample Size : 50
- Major activities of HR Department that are performed under e - HRM are Recruitment, Selection, Training, Performance Management, Compensation Management

## **RECRUITMENT AND E-SELECTION**

e - Recruitment or online Recruitment is the process of using Information and Communication Technology in recruitment process, presently, almost all companies are using e - Recruitment. Traditionally, companies publish their advertisement in news paper and candidates can type write the application format given in the paper and send hard copy of application along with copies of certificates to the company for further processing. Presently, all major companies are publishing the recruitment advertisement through websites and giving link for application and candidates are applying online with soft copy of certificates, which saves time, cost an energy of both companies and aspiring job seekers. After receiving the application, e mails will be sent to eligible candidates and called for interview and e mail communication will be sent to selected candidates for joining duty.

## **E - PERFORMANCE MANAGEMENT**

Traditionally, companies print performance appraisal booklet and send it to all offices and ask the staffs to fill and return it back to corporate office, HR Department. Some employees may forget to send the booklet, poor handwriting of employees, courier transit delay and cost are the major constraints. But now, many companies make use of web-based technology to collect e - performance appraisal forms filled by the employee at their work place and after a single button click, supervisor of the employee can see the appraisal form and start to evaluate the performance of an employee. After verifying the appraisal form, supervisor will send feed back along with appraisal marks to the top level authorities for action. This process improves transparency since employee can view the ratings given by supervisor, at the same time, cost, safety and energy is good in e - performance management system.

**E-LEARNING**

Earlier days, companies send printed form of policy booklets, circulars, training materials etc., to all offices. Presently, due to e - Learning, all circulars, training materials etc., are uploaded in server and access is given to concerned employees and employee can study all the necessary materials by sitting at work place in a relaxed and efficient way. Even feed back of training and development programmes are also collected through e - Learning gateway and used by management for analysis and decision making.

**E-COMPENSATION**

After performance appraisal, compensation of employee is fixed on the basis of ratings given by supervisors. Since employee can also see the ratings of performance appraisal and what is the salary hike given to the corresponding appraisal rating, the process brings transparency and improves trust and satisfaction of employees.

**DATA ANALYSIS**

Data collected under this Qualitative research is analysed using Narrative analysis method. Research questions developed were asked during interview and data collected was organised thematically and identified findings.

**FINDINGS OF RESEARCH**

- Increase in Transparency
- Data are readily available to top management for decision making
- Increase in confidence and satisfaction level of employees
- Cost, time and energy of all stake holders are saved
- Statutory reporting has been made easy
- Safety and Security of files are ensured
- Employees felt they are empowered
- Internal politics is reduces
- Image of company is raised

**4. CONCLUSION**

e HRM reduces costs and time for HR Department officials and enable them to concentrate on various productive functions for the betterment of company. Payroll process is one of the ultimate benefits of e HRM, previously, the process of payroll is done manually, salary input statements of employees are collected through courier and processed at corporate office and again salary slip is sent to all employees. Both HR Department officials and other department or branch employees are benefited out of e HRM. The ultimate benefit of e HRM goes to owners of company because cost, time and energy is saved due to e HRM and transparency of system and satisfaction of employee increase. All necessary data are available to board of directors or any top management official for decision making. So, e HRM has made a significant positive impact to all stake holders of company.

**5. REFERENCES**

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