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A study on the satisfaction level of employees towards E-HRM systems

Spandana Priya CS and Dr. Munivenkatappa

Abstract

Technology has grown immensely in all the sectors of the life. E-HRM is a combination of information technology and human resource management. The Human Resource Management function in any organization is most important as well as challenging, because it deals with a very important and difficult to manage resource: human capital. An in-depth study of the evolution and growth of E-HRM has paved way for enormous amount of research. This study attempts to analyze the satisfaction level of employees towards the implementation of E_HRM systems in their respective workplaces. The data was collected from 50 employees from 5 prominent MNC's. The study is restricted to Bengaluru city only.

Keywords: HR, e-HRM, Employees, satisfaction level

1. Introduction

Technology advancement is one of the powerful driving forces. It has reshaped the way we communicate, live, work and also the way a business is conducted. Corporations need to shift from physical technology to information technology, from capital centered economy to human centered economy, and further from conflict to cooperative working relationships. The change in Information Technology is faster than any other processes in the organization. Human Resource Management (HRM) has always played a major role in improving the performance of an organization.

E- HRM is a web-based tool to automate and support HR processes. It is a technological innovation to help and support the HR activities in the organization.

The biggest challenge faced by the organizations is the adoption and acceptance of the technology, as the re-designing and re-engineering of the HR functions is very critical for the systematic and effective functioning of the various functions.

The extensive use of technology within human resource management has majorly increased over the last decade. Information technology has created a revolution in the every sphere of human endeavor.

Today IT is used extensively across the organizations to perform various functions such as recruitment, maintenance, development etc.

Electronic management it is a result of technical and technological development in the field of activities and business organizations. The availability of development of human resources by decision-makers in any system management became a necessity for the success of the administrative process traditionally and electronically, so keeps these organizations resilient to currents of change in a scientific manner and sound technical for practice staff in organizations.

Today's HRM follows an organization science approach which focuses more on the 'total organization' and less on the 'individual' centric policies. So, HRM, as practiced today, grew out of organizational science trend and combines learning from previous movement's namely, scientific management and human relations, with current research in various behavioural sciences (Fisher & Howell, 2007). HRM has now become a partner with other management functions and is increasingly responsible to cultivate the requisite culture that is conducive of required behaviour. HR leaders, of today, are architects in the development of competitive organizational social systems. The challenges facing HRM has been changing and so is the role of HR managers.

The challenges include increasing globalization of economy, competitive work environment, prime focus on product and service quality, growing workforce diversity, outsourcing trends and inevitable power of technology to transform HRM (Bernardin, 2007). To meet the growing demands of their profession, the HR professionals need to be strategic business partners, lead change in the organization, teach HR competencies to line managers and more importantly, leverage technology in the delivery of HR services to its internal customers, i.e. employees. To facilitate these roles, moving towards e-HRM (integrating technology in HR functions) is the most apt solution. A whole constellation of organizational features such as vertical integration, managerial control, stability and two-way loyalty between organization and employee, that fit in a benevolent, relatively stable environment have been giving way to new organizational designs for competitiveness, flexibility, continuous improvement, and self-management (Khan & Chahar, 2010). To survive, HR department has to prove its value time and time again and technology can be its best partner in doing so. HR must also possess technology acumen like never before. HR professionals must recommend and provide the right tools that not only give access to personal information but also aid in workforce productivity and value creation. They must quickly respond to changes in business by making workforce related decisions based on real-time information, decisions that align corporate strategies with team and individual goals, supporting employees in all phases of the employee lifecycle. It is evident that electronic human resource management is gaining importance in today's business (Gardner, Lepak, & Bartol, 2003; Cedar Crestone, 2005) and the use of web-based technologies for HR practices, policies and processes is enhancing within organizations.

Definition of E-HRM

“Virtual HR: a network based structure built on partnerships and typically mediated by information technologies to help the organization acquire, develop, and deploy intellectual capital”.

- Lepak and Snell (1998, p. 216)

“An umbrella term covering all possible integration mechanisms and contents between HRM and information technologies, aiming at creating value within and across organizations for targeted employees and management”.

-Ruel, (2009)

Types of E-HRM

Lepak and Snell (1998) distinguished three areas of HRM as, operational HRM, relational HRM and transformational HRM.

- **Operational HRM:** e-HRM is concerned with administrative function like payroll, employee personal data, etc.
- **Relational HRM:** e-HRM is concerned with supportive business process by the means of training, recruitment, performance management, and so forth.
- **Transformational HRM:** e-HRM is concerned with strategic HR activities such as knowledge management, strategic re-orientation, etc.

Tools in E-HRM

Electronic aspect is embodied in all areas of HRM where there is transmission of information from one employee to

another employee and from one client to other both internally and in the processed from are highly essentials in most of the functions and activities of HRM. E-HRM is a technological boon to the corporate world. Some of the tools can be of a great support to the HR department.

- **E-Employee Profile:** The E-Employee Profile web application provides a central point of access to the employee contact information and provides a comprehensive employee database solution, simplifying HR management and team building by providing an employee skills, organization chart and even pictures. E-Employee profile consists of the following: Certification, Education, Past Work Experience, Employee Assignment Rules, Employee Availability, Employee Exception Hours, Calendar Administration and Employee Locator.
- **E-Recruitment:** Organizations first started using computers as a recruiting tool by advertising jobs on a bulletin board service from which prospective applicants would contact employers. Internet in these days becomes a primary means for employers to search for job candidates and for applicants to look for job. E-Recruiting methods are Job boards, Carriers, Professionals, Websites, and Employer Websites. But the explosive growth of internet recruiting also means the HR professionals can be overwhelmed by the breadth and scope of internet recruiting. **E-Recruiting Methods:** Job boards, Professional/Career, websites, Employer Websites.
- **E-selection:** Most employers seem to be embracing Internet recruitment with enthusiasm, the penetration of on-line assessment tools such as personality assessments or ability tests, has so far been limited. Fewer still include a core fit questionnaire in the recruitment pages of their websites.
- **E learning:** Most companies start to think of online learning primarily as a more efficient way to distribute training inside the organization, making it available “any time”, “anywhere” reducing direct costs (instructors, printed materials, training facilities), and indirect costs (travel time, lodging and travel expenses, workforce downtimes).
- **E-compensation management:** Compensation planning is the process of ensuring that managers allocate salary increases equitably across the organization while staying within budget guidelines. The usage of intranet and internet for compensation planning is called E-Compensation Management.
- **E-Performance management:** The use of technology in performance management tends to increase productivity, enhance competitiveness and motivate employees. It is a web based appraisal can be defined as the system which uses the web (intranet and internet) to effectively evaluate the skills, knowledge and the performance of the employees.

Review on literature

- Stefan Strohmeier ^[1] (2007) emphasized on the empirical work on electronic Human Resource Management (e-HRM) and discusses some implications for future research. Based on a definition and an initial framework the review analyzes the used theories, the employed empirical methods, and the chosen levels of analysis, the examined topics, and the revealed

findings. It reveals an initial body of work from several disciplines that is mainly non-theoretical, employs diverse empirical methods, and refers to several levels of analysis and to diverse focal topics of e-HRM

- Tanya Bondarouk & Huub ruël ^[2] (2006) propounded that, E-HRM is coming to a more full-grown stage within organizational life. Much is assumed and expressed about the advantages of E-HRM, however scientific proof of these advantages is scarce. No clarity exists about the answer to the question whether e-HRM contributes to HRM effectiveness. Results from the first quantitative study on the contribution of e-HRM to HRM effectiveness is been presented here. The actual use of the e-HRM application correlates with HR effectiveness, especially the content and design.
- Urmila Vikas Patil³ (2013) focused on the attitude of employees towards using E-HRM and to identify the challenges for the implementation. Finally, e-HRM hardly helped to improve employee competences, but resulted in cost reduction and a reduction of the administrative burden.
- Varma shilpa and gopal R ^[4] (2011) identified the challenges associated with the implementation and maintenance of e-HRM systems and various recommendations for enhancing the effectiveness of e-HRM systems. It basically presents a comparative picture between the services vs manufacturing sector w.r.t. the adoption of e-HRM systems in Indian companies.
- Yusliza Mohd. Yusoff, T. Ramayah and Haslindar Ibrahim ^[5] (2010) described that E-HRM is certainly not becoming obsolete, and its full potential is still anticipated and therefore academic involvement in the topic needs to grow. Besides, there has been a great deal of research on Technology Acceptance Model (TAM) in Malaysia. Less attention is given to examine the relationship between HR roles (strategic partner, change agent, employee champion, and administrative expert) and E-HRM by adoption of TAM.

Objectives of the study

1. To study the satisfaction level of employees with regard to the demographic variables of age, gender and tenure.
2. To suggest various measures to cope up with the technological change.

Need & Goal for the study

This study is undertaken to understand the satisfaction level of employees with regard to the implementation and usage of E-HRM systems in the organizations. It is also expected to bring to light certain factors which employees perceive as important for their usage of e-HRM systems and perception regarding these systems.

Methodology of the study

Research has been carried out in Bengaluru. A sample of 50 respondents was taken into consideration. The data has been collected from the respondents through a well drafted pre-tested questionnaire from five private organizations such as IBM, TESCO, COGNIZANT, CGI & HP in 2017. These organizations have been using well developed e-HRM systems.

The total population for the purpose of this research comprises of employees using the e-HRM systems of their

respective organizations. The employees are the “End-users” across various departments and levels of the selected organizations. The employees selected had a minimum tenure of 4 years in the selected organizations, so as to ensure they have sufficient hands on usage of e-HRM systems of the respective company.

Data was collected through primary sources. Questionnaires were prepared and distributed to the employees through Google docs, and also it was filled manually by the researcher through interview schedule.

The Questionnaire broadly includes questions relating to demographic variables, relating to the study of e-HRM systems being used, the training and support provided to use these systems, which e-HRM module is found most useful by the respondents and the overall level of satisfaction towards the e-HRM system being used in the organizations which are a part of the survey. The demographic variables which have been studied include tenure, age, gender and educational level.

Scope of the study

1. The scope of the study is limited to the objectives mentioned above.
2. It is limited to Bengaluru city

Limitations of the Study

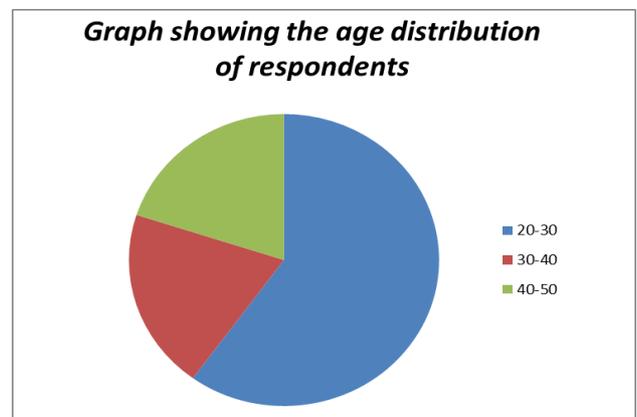
- a. The findings and suggestions are limited by the opinions and knowledge of the respondents
- b. An interpretation of this study is based on the assumption that the respondents have provided true and correct information.
- c. This study covers employees from private sector (MNC’s).
- d. The study has limitations w r t time, place and resources.

Analysis and Interpretation

➤ **Data collected through Questionnaires**

Table 1: showing the age distribution of respondents

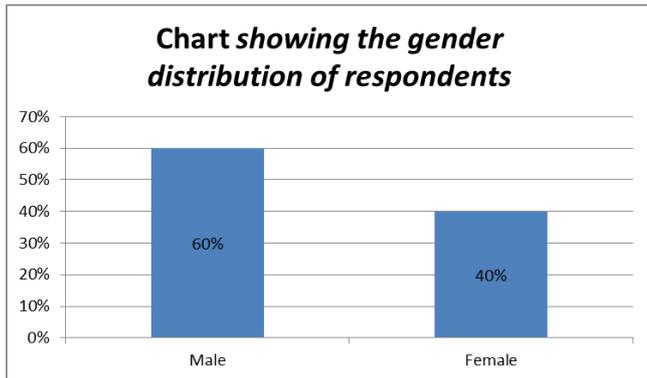
Age group	No. of respondents	% of respondents
20-30	30	60%
30-40	10	20%
40-50	10	20%



From the above table and graph it is understood that among the total respondents, majority of them are aged from 20-30 years of age, this shows that the youth are moving and updating towards the new technology, which means that they are supporting the E-HRM systems in the company.

Table 2: showing the gender distribution of respondents

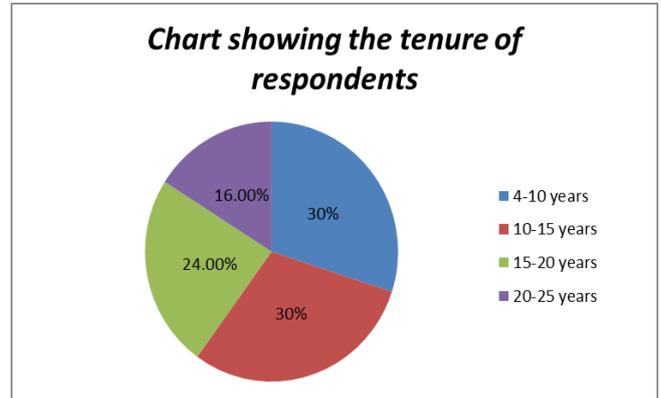
	No. of respondents	% of respondents
Male	30	60%
Female	20	40%



From the above table and graph it is clear that among the total respondents, majority of them are male respondents by 60% and 40% female.

Table 3: showing the tenure of respondents

	No. of respondents	% of respondents
4-10 years	15	30%
10-15 years	15	30%
15-20 years	12	24%
20-25 years	8	16%



From the above table and graph it is clear that among the total respondents, respondents with a minimum tenure of 4-10 years, by 30% and 30% of them were 10-15 years, 24% of the respondents are having a total experience from 15-20 years.

Table 4: showing the satisfaction level of respondents regarding the implementation of E-HRM systems

	No. of respondents	% of respondents
Agree	42	84%
Disagree	3	6%
Neutral	5	10%

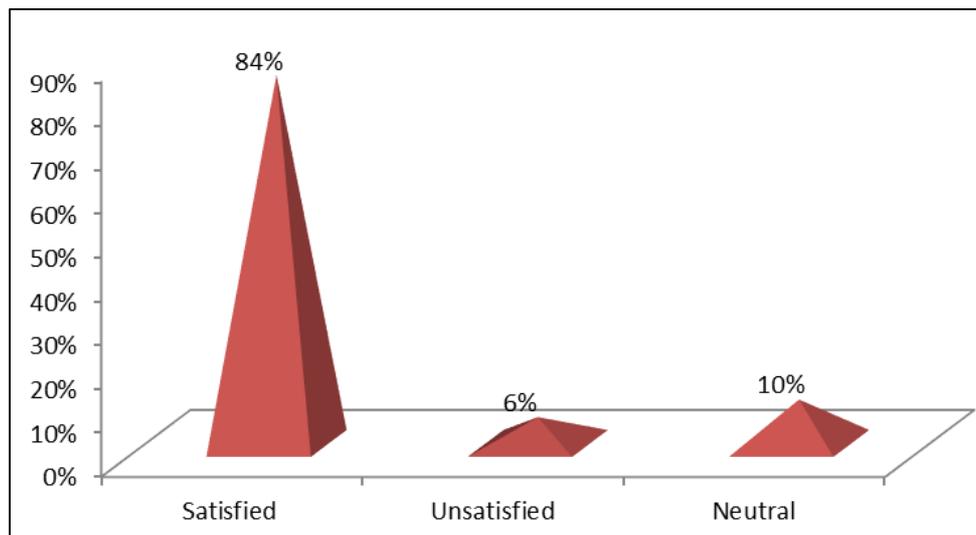


Chart showing the satisfaction level of respondents regarding the implementation of E-HRM systems

The above table and chart clearly shows that 84% of the employees are completely satisfied with the E-HRM systems being implemented in the companies and 6% of them are unsatisfied with the same. And also contrary to this, 10% of the respondents' opinion is neutral about the systems.

➤ **Data collected through interview schedule**

Data was also collected by conducting an in-depth interview from the respondents. Some of them are recorded below

1. Around 80% of the respondents are happy and satisfied with the various tools of E-HRM.
2. Most of the employees are facing difficulty in adopting the new technology.

3. Among the 84% of the employees who are satisfied 90% of them were from the age group of 20-35 years, this also shows that younger generation are easily catching up the technological change.
4. Among the total respondents interviewed around 45% of them were core HR professionals
5. It also brought out that line managers, top management and employees (end-users) play an important role in successful implementation of E-HRM systems.

Suggestions and measures for coping up with the technological change

1. Companies should give proper training to the employees to support and help the employees in conducting their day to day activities.

2. Securing data should be made more strong, so as to instill confidence in the employees mind.
3. Employees personally should be open minded and welcome the new technology into the organizations.
4. Line managers' mindsets should be changed.
5. The software developed should be user-friendly.
6. Management should conduct various sessions and courses for the employees.

Conclusion

Any business activity if it has to be successful today, there must an intervention of technology. That technology can change the total outlook of the transactions in the corporate world. In this perspective E-HRM has gained enormous importance in business field.

From the implementation of E-HRM systems, employees are gaining more advantage out of it. It has helped in re-defining the role of HR managers and other staff in the organization. It has completely changed the organization structure, it also adds towards global competitiveness. Many organizations have not implemented E-HRM systems for various reasons, but in future it is predicted that all organizations will be fully automated.

With all these advantages and disadvantages the use EHRM technology, promises to provide a useful, efficient and increased performance which goes hand in hand with reducing cost.

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