



## Impact of employing E-HRM practices on the recruitment and selection processes of HR managers

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### Abstract

Information technology has made its position in all the fields. It has made a man's life more easy and accessible. Technological innovation has been a debatable topic since years as a boon or bane. E-Hrm is basically is technological platform, which provides online support for the employers and employees with regard to their day to day activities, which makes their work much easy and efficient. The impact of technology has influenced the HR activities to greater extent. This paper is an attempt to study and understand the impact created by using E-HRM practices on the recruitment and selection processes of HR managers in private companies in Bengaluru city. HR managers, today face more competition, targets, stress, and volatility in different spheres of business. This study tries to understand whether the implementation of E-hrm systems has impacted positively or negatively on the performance of HR managers with regard to their recruitment and selection processes. A sample size of 62 HR managers were picked up for the study from private companies in Bengaluru city in the period of January. Data will be collected by using scheduled questionnaires and the results will be interpreted by using suitable statistical tools for the analysis purpose. The study comes out with various recommendations and suggestions for effective implementation of E-HRM systems in companies.

**Keywords:** information technology, HR mangers, recruitment and selection process, negative or positive impact

### Introduction

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.

### 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.

### Scope of E-Hrm

- a) Higher speed of retrieval and processing of data.
- b) Increased access to HR data and ease in classifying and reclassifying data.
- c) Establishing of streamlined, standardized and systematic procedures.
- d) More transparency in the system.
- e) Adaptability to any client and facilitating management.
- f) Integral support for the management of human resources and all other basic and support processes within the hospital.

### E-HRM Tools

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 employee.

### **E-HRM in Today's Indian Scenario**

E-HRM has evidently progressed in the recent past but also due to lack of relevant empirical research there is also a complete lack of awareness about the present status of E-HRM in Indian organizations.

The organizations utilizing the relevant mechanism, process and instruments of E-HRM, HRM function can act as a strategic partner and facilitate the organization in achieving vision, mission and corporate objective. Research finding shows that most organizations in technical sense try to exploit full potential of E-HRM but in practice its application is limited to operational and relational E- HRM i.e. it is limited to narrow range of functions especially those in administrative

management of pay roll or employee record management (operational) and e-human resource planning, e- recruitment, e-selection, virtual training, online performance management, e- compensation (relational), but there is complete dearth of application of e-HRM in transformational form. But present requirement of HRM function is to be helpful in achieving business strategy, contribute financially, and help the organization in improving internal stakeholder's satisfaction.

There has been much discussion in the literature about the possible goals and outcomes of e-HRM (Parry and Tyson, 2011; Ruta, 2005; Ruel *et al*, 2004). E-HRM has been suggested to have operational, relational and transformational impacts (Lepak and Snell, 1998). Similarly, Ruel *et al* (2004) suggested the four goals of E-HRM cost-reduction, improving HR services, improving strategic orientation and global orientation. This process of involving multiple people and arriving at final conclusion and defining roadmap for E-HRM implementation organization wide takes lot of commitment and dedication from top to bottom and vice versa.

### **Objectives of the study**

1. To understand the benefits of e-recruitment and selection.
2. To establish a relationship between E-HRM systems and the recruitment and selection practices of HR managers.
3. To evaluate the relationship between the experience of HR managers towards the acceptance level of E-hrm systems in their organizations.
4. To offer suggestions and recommendations for effective improvement of E-HRM systems.

### **Review of literature**

Chandra Sekhar and Manoj Patwardhan (2015) <sup>[1]</sup> stated that the employee perceptions towards implementation of e-HRM in service industry were examined along with their related factors. Stefan Strohmeier (2007) <sup>[2]</sup> 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 (2006) <sup>[3]</sup> 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 Patil (2013) <sup>[4]</sup> 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 (2011) <sup>[5]</sup> 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. According to Nidhi Oswal, & Prof. G.L.Narayanappa (2014) <sup>[6]</sup>, E-HRM can be considered as a multilevel phenomenon to perform HR activities. It can help the organizations to upgrade the HR functions to web based technology and speed up the flow and implementation of business strategies and processes. Shashank Kumar Srivastava (2010) <sup>[7]</sup>, discussed about the concept of Electronic Human Resource Management (e-HRM) as an Implementation Support System (ISS) for HRM. For understanding the better skills, creative abilities and talents of human resources at a very quick time there must be a concept of e-HRM. In their opinion e-HRM is an interface through which we can directly communicate or know about the right talent through traverse some list or records in our personal database without creating any issue.

According to Somendra Pant, Abha Chatterjee and Deepak Jaroliya (2012) <sup>[8]</sup> E-hrm systems offer organizations the promise of huge performance improvement as well as of overhauling the entire Human Resource Management (HRM) function itself. This latter possibility is expected to offer competitive advantage to organizations. However, it is not known (a) what is the benefit of e-HRM systems implementation (b) what contextual factors moderate the relationship between e-HRM systems implementation and their benefits. Sanchita C. Banerji (2013) <sup>[9]</sup> revealed that the e-HR outcomes which help in increasing speed, lesser paperwork and cost effectiveness are definitely some of the advantages which not only ensures transparency, but also facilitates better controls by the top management. The successful and efficacious implementation is only possible when the HR professionals learn to be proficient with the traditional HR skills and knowledge, and develop the ability to apply their knowledge via the technology. Anjali Gupta and Shabnam Saxena (2012) <sup>[9]</sup> attempted to highlight the importance of e-HRM for the organizations. If organizations have to be successful in the competitive environment then they have to adapt new technologies like e-HRM and it is an innovative technology in managing human resources. It shows that e-HRM has so much objectives as well as it has a large scope and challenges to employees and employers to do their work effectively. With computer hardware, software, and tinta bases, organizations can keep records and information better as well as retrieve them with greater ease.

### Methodology of the study

This research was carried out in Bengaluru. A sample of 100 HR managers was taken into consideration. The data has been collected from the respondents through a well drafted pre-tested questionnaire from various private companies in the year 2018. The selected companies were using well developed e-HRM systems.

The total population for the purpose of this research comprises of HR managers using the e-HRM systems in their respective companies. The managers had a minimum tenure of 6 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.

Totally 100 questionnaires were sent, but completed and valid response were 62 respondents that are 62% of the received rate of responses. The cronbach's alpha is 0.868 which indicates high level of consistency for our scale with this specific sample. 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.

### Statement of the problem

Technologies possess a huge amount of risk to business activities. Technically speaking electronic human resource management provides a lot of benefits to the companies, but still some companies have various obstacles in adopting them into their business life. Another challenge is maintaining and retaining the talented employees, in today's competitive world. E-HRM can be solution for this aspect.

### 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.
- d) The study has limitations w r t time, place and resources.

### Analysis and interpretation

- 1) Respondents (HR managers) opinion regarding the time minimized in recruiting new employees due to the implementation of E- HRM systems.

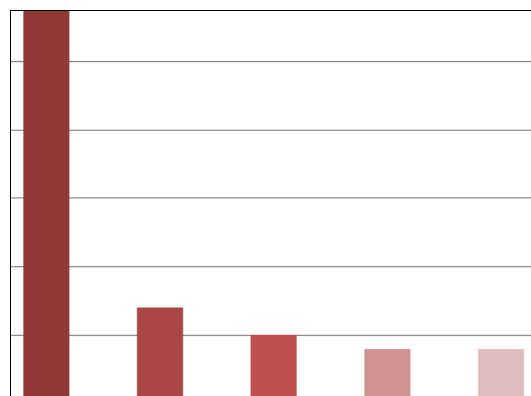


Fig 1

The above graph clearly tells that 60% of them strongly agree that by implementing E-hrm systems a lot of time has been saved due to the technological revolution, also 8% of the total respondents strongly disagree that it has not made any change in their daily HR activities

2) Respondents (HR managers) opinion regarding saving money due to adoption of E-hrm systems

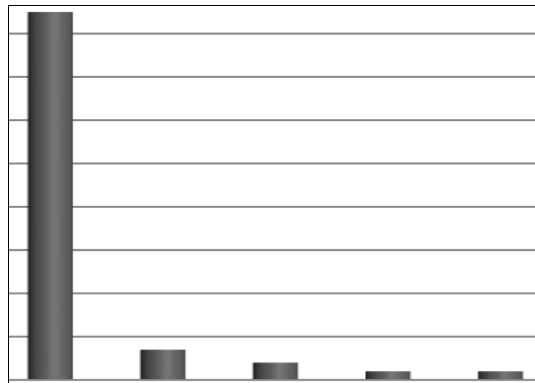


Fig 2

From the above chart it is very clear that by the introduction of E-HRM systems into the business arena, 85% of the costs is been reduced, it can be in any form, such as recruitment costs, selection process, regarding paper work etc. which shows it has bought a positive change in the process of business.

3) Respondents (HR managers) opinion regarding filling the vacant posts with right people with the required skills

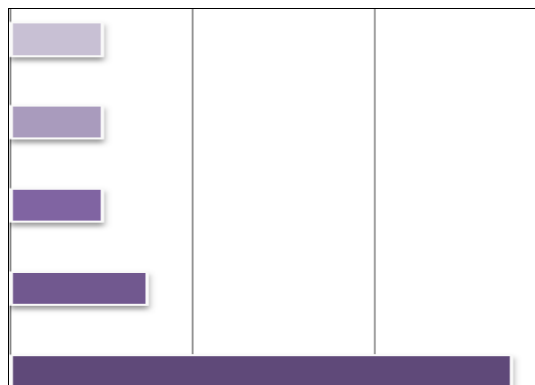


Fig 3

From the above chart it is clear that around 55% of them strongly agree that they are successful in recruiting the right people for the job, which is shown in the employee turnover rate of the company, from which automation of the HR processes has also eased their duty towards menial tasks and has helped in concentrating towards selecting the talented employees, and also contrary to that 10% of the respondents strongly disagree with this statement.

**Hypotheses of the study**

1. H<sub>a</sub>: There is a positive relationship between the acceptance level of E-HRM systems on the performance of

recruitment and selection processes

2. H<sub>0</sub>: There is a negative relationship between the acceptance level of E-HRM systems the performance of recruitment and selection processes
3. H<sub>a</sub>: The experience of HR mangers has significant influence on the acceptance level of e-hrm systems.
4. H<sub>0</sub>: The experience of HR mangers has no significant influence on the acceptance level of e-hrm systems.

The 1<sup>st</sup> hypotheses will be proved by KARL PEARSON’S CORRELATION technique using SPSS software.

Table showing correlations between the impact of E-hrm systems on recruitment and selection processes of HR managers.

Table 1

		Recruitment and selection	E-hrm
Pearson Correlation	Recruitment and selection	1.000	0.971*
	E-hrm	0.971*	1.000
Sig.(2-tailed)	Recruitment and selection	.	.000
	E-hrm	.000	.
N	Recruitment and selection	62	62
	E-hrm	62	62

Source: primary data \*correlation is significant at the 0.01 level (2 tailed)

**Inferences:** The result from the SPSS indicates a strong relationship between the predictor variables. Hence, there is a high positive correlation between the values. Therefore null hypotheses is rejected and alternative hypotheses is accepted. Which means that, there is a positive correlation between the implications of E-hrm systems on the HR department’s performance.

**The 2<sup>nd</sup> hypotheses will be proved through chi-square test using SPSS**

Table 2

Chi-Square Tests			
	Value	df	Asymptotic Significance
Pearson Chi-Square	7.601 <sup>a</sup>	4	0.05
N of Valid Cases	62		

**Inferences:** By checking the critical value of chi-square from the table against alpha 5% and degree of freedom. The computed value of chi-square is 7.6 which is less than the table value that is 9.486, hence the null hypotheses is accepted and alternative hypotheses is rejected.

It can also be concluded that the experience of the HR managers does not have any significant influence on the acceptance level of the E-hrm systems into their organizations.

**Suggestions and Recommendations**

1. Conduct the awareness training about the e-HRM practices to the employees.
2. E-HRM technology has to be modified and updated to make all the work efficient and effective result.
3. Securing data should be made more strong, so as to instill

confidence in the employees mind.

4. Employees personally should be open minded and welcome the new technology into the organizations.
5. Line managers' mindsets should be changed.
6. The software developed should be user-friendly.
7. Management should conduct various sessions and courses for the employees.

### Conclusions

From the study it is understood that the employees are open minded in accepting the new systems into the business organization, and also are ready to accept them in their business life. Some interpretations such as 55% of the respondents strongly agree stating that due to the implementation E-Hrm systems the success rates in selecting employees has increased, which means that these systems have brought an incremental change in their department. 75% of the respondents strongly agree with regard to ensuring good transparency in the recruitment and selection process, 85% of the costs is been reduced, it can be in any form, such as recruitment costs, selection process, regarding paper work etc. which shows it has brought a positive change in the process of business.

It is also proved that there is a positive impact from the usage of e-hrm systems on the recruitment and selection processes of the company, which has impacted the overall performance of the employees. 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 can also be concluded that the experience of the HR managers do not influence the adoption and implementation of E-hrm systems. 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.

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