

# TRANSFORMATION FROM: “HRM TO E-HRM”

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**Abstract**—Technology has touched and affected almost all the areas in every field. A person, an organization or any field has to cope up and walk along the changing requirements of technology so as to get the effective and optimum results. In the field of HRM too technology has played its eminent role in transforming its function from general to electronic by using internet and various technology tools. This transformational change using application and processing of IT tools & HR practices has been named as E-HRM. E-HRM enables refinement of HR operational processes, authorization of different HR functions, permitting distributed access to employees, execution and administration of different HR practices recasting the HR function making it more strategic in nature. Many big Organizations have executed and fruitfully adopted E-HRM approach as a rostrum for achieving desired transformational change resulting in reduced paper work and improvement in performance.

**Keywords**— E- HRM, Transformational Change, HR Practices

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## 1. INTRODUCTION

Technology has become an inseparable part of our everyday lives. From Kitchen to Office to MNC's technology has played a crucial role in transforming and shaping the work of an individual making it more simplified and trouble free with the advent of technology an organization and its employees has to come up with the changing demands of the workplace to gain competitive advantage in the market. Corporations need to swing from physical technology to information technology, from capital centered economy to human centered economy, and further from conflict to cooperative working relationships. Every department has a pivotal role to play in any organization. But Human Resource Department steps ahead of all other departments as it deals with the most important aspect of an organization i.e. the Human element. The HR department forms a strong foundation for any organization by providing sound workforce through the use of better recruitment, selection, orientation, training and development processes. The better the above processes better will be the employee retention and more improved will be the productivity and efficiency of the employees. The final result of which can be seen in the increased productivity, coherence and effectiveness of the organization in gaining competitive position in the market. Traditionally HR management lacks focus on the overall strategic initiatives of the company concentrating more on hiring and recruiting workers for open jobs within an organization. Besides these HR Manager used to spend a considerable amount of time performing administrative tasks such as completing paperwork for new employees or training them for their new positions. Their success and improvements in work methods is often hindered by their old ways of doing the work which makes it difficult for HR departments to focus on modern business technologies.

For overcoming these weaknesses of time consuming activities of HR department, error prone work methods and to move with upcoming changes many organizations are adopting E-HRM technology to transform the basic HRM function to digital HRM. This can be done by using internet or other technology tools with the help of web portals.

## 2. DEFINITION:

E-HRM is a way of implementing HR strategies, policies, and practices in organization by integrating all HR systems through a conscious, direct support and use of Internet or related technologies to sustain the activities, procedures and processes of HR department.

## 3. MEANING OF E-HRM:

Electronic Human Resources Management (E-HRM) is a modern approach that comprises all HRM functions, tasks and activities which are accomplished with the support of information technologies to generate competitive market value for organizations to get ahead of the competitors. With the collaborative effort of communication, technology and information, E-HRM utilizes computer system, interactive electronic media and telecommunication network to perform the strategic HRM functions in an organization.

E-HRM system facilitates online access to the organization for performing HR activities. Besides it also offers the opportunity to automate administrative HRM activities for generating value for the HRM processes. E-HRM is the application of IT for HR practices together which enables effortless interactions within employees and employers. E-HRM is the planning, implementation and execution of information technology seeking benefits of the latest web technology to deliver online solutions to the actual HR related problems.

E-HRM system with the use of internet stores data and information regarding payroll, employee personal data, performance management, training, recruitment and strategic orientation. It is also changing the way HR departments used to handle

record keeping and information sharing. It reduces the paperwork to a substantial extent and allows easy access to ample data.

Organizations are in pursuit of e-HR execution that can help in digitalizing the HR function by automating the tasks and activities, streamlining the workflows and enhancing the efficiency of employees by providing paperless, more flexible and resource efficient work environment.

By adopting e-HRM an organization can align itself with the goals and objectives of the organization focusing on achieving competitive advantage. e.g employees working at distant places can work together in virtual teams using video conferencing, e-mail etc. Under recruitment function, job openings can be posted online on the company's official website and candidates can apply for jobs online.

Employee's performance can be evaluated using various Internet based techniques and the same can be viewed by the employees at any time. Various online training methods can be of immense help for providing training to the employees that too to a large number at the same time. For compensation and benefits issues, e-HRM will make it easy for employees to review their salaries and bonus information and seek information about bonus plans.

#### **4. OBJECTIVES:**

1. To study what is e-HRM, its objectives, scope, goals, benefits, limitations, types and tools.
2. To understand the transformation of HR function from general to strategic using IT.
3. Transformation of HR from physical technology to information technology, from capital centered economy to human centered economy, and further from conflict to cooperative working relationships.
4. To provide support for future planning and policy formulations.
5. To digitalize employee related information for better and hassle free access to employee data at reasonable cost.
6. To offer data security and personal privacy.

#### **5. SCOPE OF E-HRM :**

1. An effort towards making an office free from paper work resulting in a time and cost effective system.
2. Speedy system of providing accurate and timely information to the employees with the help of executing a system of retrieving and processing of data in a faster and effective way.
3. Attractive and high profile status for HR professionals facilitating better and congenial work environment.
4. More transparency in the system providing a better focus on dealing with the queries and problems of the employees genuinely and sensitively.
5. Reduction of administrative burden on the employees thereby supporting the management of human resources for other general and supporting activities.

#### **6. GOALS OF E-HRM:**

1. Transformation of HRM to E-HRM making it more strategic in nature.
2. Reduction in cost and saving the time element.
3. Concern and personal awareness for employees and facilitating easy access to the required data.
4. Focus on client service approach for image building.

#### **7. BENEFITS OF E-HRM:**

1. E-HRM has the potential to transform the traditional HRM functions.
2. It helps in making the basic and vital functions of recruitment, selection, training etc. interesting and easy widening their scope.
3. Re-engineering and improvement of almost all business processes through the use of Information Technology.
4. Reliable administration of different employee records and easy access to employee related data on timely basis.
5. Provision of self-development and employee training covering a wide range of employees at the same time.
6. Standardization of all HR functions making them tangible so as to find the cause of gap, if any.

#### **8. CHALLENGES(LIMITATIONS) FOR IMPLEMENTING E-HRM:**

1. Investment in e-HRM demands the collaboration of the modified functioning of e-HRM with the objectives of the organization.
2. The new structure and design of e-HRM should consider the changing needs of the diverse workforce along with their potential for learning and compatibility with the advanced use of technology.
3. The workforce is required to be re-trained for adopting and using the new method of doing the work.
4. Resistance to change is likely specifically within HR function (impacting other functions too) unless commitment for results is assured and the employees are addressed for the implementation of new system at an early stage.
5. Information overload, communication problems, negative attitude of employees, cost factors, lack of commitment of top management, probability of accurate results etc. are some of the challenges any organization can go through.

## 9. TYPES OF E-HRM

Generally E-HRM is of three types . All the three types vary in the context of the target of E-HRM & the role and impact of IT in supporting different HR activities. Following are the three types:

### A. *INFORMATIONAL E-HRM:*

The target area of this type of E-HRM is HR Department. The use of internet and technology tools helps in reducing the administrative and workload burdens on HR professionals making HR data available through web based channels. The main purpose of this type is to digitalise HR data and make it available for its employees and stakeholders. Informational E-HRM is concerned with administrative functions like payroll, employee personal data, etc.

### B. *RELATIONAL E-HRM:*

The target area for this kind is the main HR function. Here the main focus of technology is to facilitate and optimize the workflow between employees, management and HR Professionals by the means of automation and streamlining of HR activities.

The employees should be capable enough to guide, direct and record various interactions when HR activities are performed. Relational E-HRM is concerned with supporting business processes by the means of training, recruitment, performance management and so forth.

### C. *TRANSFORMATIONAL E-HRM:*

The main target area for this type of E-HRM is the total organisation. Effective use of technology will facilitate the creation of a dynamic and flexible organization by the means of executing HR activities which should be well adjusted with a specific situation. Transformational E-HRM is concerned with strategic HR activities such as knowledge management, strategic re-orientation etc.

## 10. E-HRM TOOLS

### A. *E-EMPLOYEE PROFILE:*

The E-Employee Profile web application provides a platform for accessing employee contact information and provides a complete employee database, simplifying HR function by providing an employee KSA chart, organization chart and even pictures. The individual employee, the manager and the database manager are responsible for maintaining and managing the E-Employee profile.

E-Employee profile comprises Certification, Honour/Award, Achievements, Membership, Educational Qualification, Past Work Experience, Assignment Skills, Competency and Potential, Employee Assignment Norms, Employee Availability, Employee Exception Hours, Employee Utilization, Employee tools, Job information, and Sensitive job Information, Service Details, Calendar, Calendar Administration and Employee Locator.

### B. *E-RECRUITMENT:*

E- Recruitment has been framed as a buzzword and the latest trend in recruitment with the help of which companies can post the job offers online on their official websites or with the help of companies rendering such services like Monster.com, Naukri.com etc. thereby attracting a number of potential candidates for a job opening. This is made possible only with the help of internet and IT tools which has made the job of HR professional more interesting and less time consuming by assisting the entire recruitment process. Now the job seekers can send their applications or CV's through an e-mail using internet and can be approached by the perspective employees according to the needs of the job.

### C. *E-SELECTION:*

E- Selection is a way of choosing the best candidate from among the pool of applications for recruitment by scrutinizing the candidates using various online selection methods like personality assessments, ability tests, psychometric assessment, questionnaire filling etc.

The candidate with right KSA's (Knowledge, skills & abilities) are selected to best fit the job requirements. It also helps in reducing the cost, optimum utilization of human capital and meeting the legal pressures by managing and improving the E-Selection Process on a continuous basis.

Many overseas companies for hiring employees from other countries and universities abroad for attracting admissions from the host countries are successfully executing their work with the help of this technique.

### D. *E-LEARNING:*

Internet has also affected and made learning possible through the use of technology. E- Learning refers to an effective method of programmed learning facilitating training and education using electronic devices by providing material, course interactive sessions and course delivery online.

Various approaches covering E-Learning are Computer Based Training (CBT), Web Based Training (WBT), Webinars, Mobile Learning, and Virtual Classrooms. Various learning software have been developed to educate and train the entire workforce after successful assessment of their training needs.

*E. E-COMPENSATION:*

E-compensation is a system of enabling an organization to collect, keep record of, systemize, change, evaluate and distribute information related to the compensation of the employees taking help of web based tools and internet.

E-Compensation guides and enables the employees to know about the current status of the compensation policy of the company, the proposed changes in the compensation plans, incentives and bonus system etc. E- Compensation uses web based technology to allow the HR Professional to design, implement, administer, control and monitor the compensation policy of the company resulting in better administration of such policies providing high value when compared with the traditional payroll system.

*F. E-PERFORMANCE MANAGEMENT:*

E-Performance Management facilitates the collection of employees performance data, monitoring and controlling employee work, assisting the whole process of performance appraisal automatically again with the advance use of technology.

It covers the advantages of providing quick and improved access to performance data, making performance appraisal more objective, valuable and unbiased, evaluating the skills, expertise and abilities of the employees with ease using different web based performance appraisal methods.

**11. CONCLUSION:**

E-HRM is a web based tool which assists implementation of HR Strategies, policies, procedures and practices hence shaping the HRM function making it more strategic in nature. It is a technique for supporting HR functions and processes which provides a platform for collecting data and information related to the employees facilitating enhanced self-service to the employees.

It covers all aspects of HR management like job description, job specification, recruitment, selection, training, personnel management, career development and advancement, employee profile etc. E-HRM is an automated, reliable, confident, effective and efficient tool available to HR professionals that can be of immense help for problem solving, information sharing, communication and the like.

E-HRM is way of providing advance business solutions to related problems with a full-fledged online support in managing various HR functions online. Generally it is an advanced technique for transforming the HR function into Strategic HR using IT tools. It is also helping the HR Professional in formulating policies and planning effectively for the future actions.

E-HRM also helps in providing security to the employees keeping their personal privacy as a priority. Many organizations have successfully implemented and are working with E-HRM giving effective results and output. It should be made an inseparable part of every organization, company, MNC, Educational Institutions so that in every field its results can be optimized.

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