A Selective Study on the Impact of e-HR in Indian Context

Pragalbh Sharma, Assistant Professor, Institute of Business Management, GLA University, Mathura, (UP), INDIA

Abstract:

In the present scenario, e-HR has become a very important part in the functioning of almost all the major business houses. It helps in providing the linkages between the various important functions of the organization and also helps in disseminating the correct information related to the personnel in a timed manner, as and when required. It results in the abolition and reduction of disused actions and an increase in the overall profitability of any organization. e-HR unbelievably minimizes the over reliance and dependency over time consuming activities of creating documents and thereby leading to error free and hectic paper work. On the other hand, as we all know that it is quite natural that any advancement in technology appears with its inherent threat, i.e. in the form of increased set up costs, loss of manpower, etc. Hence, it is the duty of human resource experts to get acquainted with the latest technological changes. This article highlights output of the study conducted to identify and analyze the issues involved in installing E-HR systems in an organization.

Keywords: e-HR, Business Houses, Manpower, Costs.

Introduction

The managers of the 21st century believe that the information technology systems may exert a notable effect upon their style of management and decision making thereby making both the things extremely innovative and highly personalized. These managers will also have the capability of browsing the data using large databases and having full control over these databases as well, required for data extraction and manipulation in future. This will also lead to the conversion of the routine office activities into highly automated and technology enabled activities, making the office work easier and letting it completed in a comparatively lesser time also resulting in the enhancement of personal productivity.

In Human Resources arena, E-HR is termed as an internet based strategy which takes the advantage of the advanced World Wide Web application technology to produce a real time e-HRM Solution. In the present age, e-HRM can be considered as a boon for the multinational organizations having a requirement of getting connected for operation and administration, mutually with each other.

Although, it is very obvious that like all the new systems, technology and concepts, the concept of e-HRM also has many different types of challenges and issues involved in it that needs a very careful analysis and interpretation prior to being used and implemented in any organization.

In the field of HRM, the commonly used software packages are People Soft and SAP. They are extremely customized packages which can be used to administer and control the exclusive needs of the companies. The implementation of these packages is however laden with several challenges. Some of the challenges relate to the presence of an Information Technology Culture, Training, Security, incessant Monitoring and regular Feedback etc.

Globally, there are a number of companies which have successfully implemented the system. For every single successful company, there are a good number of companies, which have failed in implementing the system in a effective manner and utilizing the full potential of these systems. The prime issue is about the challenges which companies face in implementing an e-HR system and also about the factors that the organization must safeguard itself against while implementing an e- HR system.

This article throw a light on these issues and tries to set up the factors, which an organization must consider while implementing an e- HR system.

Objectives of the Study

The following are the objectives of the study:

· To find out the major elements responsible for the success of e-HRM systems.
· To explore problems related to the execution and discharge of e- HRM practices.
· To establish the viability of investment in an e- HR venture.
· To discuss the measures required for increasing the effectiveness of e-HRM systems to ensure expected return on investment.

Research Methodology

The Research Methodology used for the study was a blend of Descriptive Survey and Field Survey. In the Field Survey, the instruments used for collecting primary data were: Questionnaire and Interviews. The questionnaire was sent across to 125 respondents who were middle level and top level executives drawn from more than 20 companies. The study was limited to Mathura, Agra and Delhi (NCR) due to time and cost constraints.
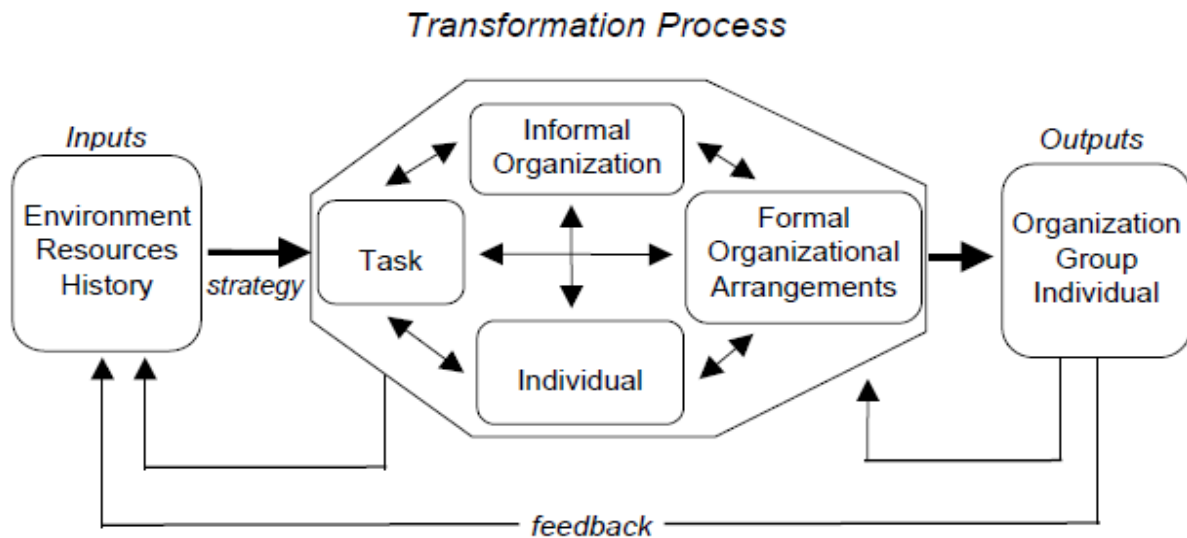
Findings of the Study

About 96% of the respondents reported that their organization has initialized e- technology to the HR systems. The primary reason for introducing e- HR in the organization was to enable economical and proper integrated control, followed by increase in transaction accuracy and integrity. Some more reasons cited were to refocus HR on tactical thinking, standardization of systems and procedures, persuade open communications etc.

A large number of organizations preferred to use e- HR for activities like recruitment and selection, compensation planning, maintenance of employee records, communication of HR policies through the use of e-HR network. Another very important area where e- HR was widely used is Competency mapping.
The most commonly used e- HR system was SAP (60%), followed by People Soft (19%) and Oracle (13%).

The primary barriers to the efficient adoption and implementation of e- HR systems were identified as insufficiency of financial resources, unwillingness to use e- HR systems amongst employees, resistance to change, issues related to security of data, proper training and bad technical infrastructure.

e-HRM Model of Organizational Transformation

Source:*http://e-hrminc.blogspot.com/2013/08/organizational-diagnostic-models.html*

As it is explained well by the e-HRM Model as given above. E-HRM is a transformational process which leads to the transformation of inputs (in the form of environment resources and history) to get converted into output (in the form of organization, group or as an individual. This entire process of transformation takes place with the help of four elements which are linked with each other in a cyclical manner and relates to the core of any organization. These are individuals, tasks, the informal organization and the formal organizational arrangements which are responsible for this conversion. Afterwards, the organization, group or the individuals provide feedback which again leads to the input, then strategy formulation and then this process go on in an unending manner.

Issues and Challenges involved in implementing an E-HR System

Practicing Change Management as a Compulsion:

Practicing change management is a must because, lot of failures have been reported out of the implementation of technology when they were undertaken only as an implementation of technology and nothing else. The companies must focus on the essence of change management and thereby making it a routine activity followed by documentation and proper communication.

Spread of a culture of Information Technolgy:
Any electronic or web enabled activity can never be successful without spreading a culture that welcomes information technology and its elements in the organization. Since, IT is the need of the hour for bringing efficiency, accuracy and minimizing the time taken for the completion of tasks therefore, the organizations should focus on building an IT culture.

Knowledge Management and e-HRM:
The concept of knowledge management and e-HRM go hand in hand. There may be implicit knowledge

present within the employees which may create a hurdle and make learning a difficult activity therefore proper emphasis has to be made towards better knowledge management for the adoption of e-HRM practices.

Inclusion of all the Stakeholders of the organization:

Not only for the adoption of e-HRM but, for all the practices adopted by the organization, there should be proper inclusion and involvement of all the stakeholders of the organization at an early stage to gain buy-in.

Providing information to the intended users and the beneficiaries of it:

This is an essence for the success of any organization. The proper information related to the adoption and implementation has to be provided to the intended users and the beneficiaries of the technology solution as it helps in gaining their confidence and trust and also builds a long term patronage with your stake holders.

Need of training for the users:

This becomes very important to enable the intended users to make the use of the implemented technology up to the maximum possible extent. It is also important because, normally people are reluctant and may find it difficult working on a new technology but, when they realize that it will help them to increase their as well as the organizational productivity, they tend to take interest and start using it as intended.

Justification of the Return on Investment:

Though it is very obvious that the justification of ROI for any project is important to know the cost and benefit out of the implementation of any project. Similarly the justification of ROI in case of e-HRM

system is also important to know and analyses the increase in efficiency and effectiveness of the processes and systems as compared to the old and manual systems of managing HRM processes and activities. Regular monitoring and feedback are essential factors which help in judging the effectiveness of the-HR efforts in any organization.

Recommendations and Suggestions

Creating a good e Statement: a Primer

Network-based total compensation statements, or e Statements, square measure thought-about to be vital tools for increasing employees' advantages awareness. a number of the vital options embody 24/7 accessibility, period of time information and straightforward incorporation with external vendors, HRIS systems and supplementary information sources. human action the importance of investment in worker compensation, insurance, pension plans and more advantages is crucial for participating and motivating staff.

Centralizing unit of time administration in associate in-house unit of time service center:

Standardizing and separating out Human Resource administration from additional military science work would lead to price savings from lower dealings prices and therefore the involve for fewer workers, a bigger uniformity of approach across an organization to unit of time matters, and a additional receptive service from unit of time that's higher associated to overall business goals.

Assessment of the flexibleness of the unit of time Technology:

The Technology should be versatile enough of adapting to a amendment in business strategy. A "Flexible" sourcing suggests that viewing every of the

prime parts of a sourcing answer as a personal module, with a watch towards potential incorporation with vendors, business functions and alternative systems. Cross-function flexibility is that the key for portals and alternative communications technologies, performance and learning management systems.

Planning for worker and structure problems from the point in time:

For winning initiation of a brand new method and to comprehend the complete worth of the investment, corporations ought to address probable worker and structure problems from the point in time. an honest range of corporations perceive the decision to deal with probable problems once implementing large-scale, stylish initiatives. however varied corporations might underestimate the importance of getting ready their organizations for tiny to mid-sized comes too.

Data mining tools:

It is truly same that information is cash in today's world. beside the transition to associate app-based world comes the exponential growth of knowledge. However, most of the info} is unstructured and therefore it takes a method and technique to extract helpful information from the information and remodel it into perceivable and usable type. this is often wherever data processing comes into image. many tools square measure obtainable for data processing tasks victimisation computer science, machine learning and alternative techniques to extract information.

Data mining is also considered associate evolving approach to information analysis in terribly giant databases that might become a great tool to unit of time professionals. data processing involves extracting information supported patterns of knowledge in terribly giant databases. Yet, data processing goes on the far side merely performing arts information

analysis on giant information sets. Organizations that use thousands of staff and track a large number of employment-related data may notice valuable data patterns contained at intervals their databases to produce insights in such areas as worker retention and compensation designing.

E-learning

E- learning is { increasingly | progressively | more and additional } getting used by employers on the one hand to enrich more ancient coaching ways, and on the opposite hand in creating a giant distinction in achieving structure success. a number of the foremost common areas wherever e-learning will be used as an excellent tool for unit of time professionals are:

- New Hires Orientation
- Employee Learning ways
- Converting Instructor-Led coaching To alloyed coaching
- Empowering on-line coaching at intervals The Organization
- Utilizing And Capturing information
- On Demand Skills coaching
- Employee Engagement

The main advantages of e- learning will be summarized as follows:

- Modified accessibility of coaching materials.
- Improved flexibility, with coaching delivered to staff in 'bite size' chunks.
- Greater uniformity – all staff receive a similar data at a similar level.
- Sustainability of content and learning.
- Value for cash – the potential for sizeable savings within the price of travel and connected expenses.
- A cautious analysis and examination of those factors before implementing an e- unit of time system in a corporation will go an extended

manner in realizing the particular advantages of e- technology based mostly unit of time systems.

Conclusion

A Human Resource Management System (HRMS) will be accustomed modify Human Resource processes and to produce a specific supply of all connected worker and structure information. Present Human Resource code offers progressively subtle practicality giving corporations the chance to computerize labor intensive processes and devolve daily transactions to line managers and, additionally in some cases, to workers themselves. A HRMS may lay the fundamentals for a wider e-HR strategy, which can comprises e- learning and on-line enlisting. The introduction of a unit of timeMS will facilitate to alleviate the executive burden for busy HR departments that stand to realize from improved access to unit of time information, economical and standardized processes, larger reportage practicality, additional reliable and correct information and a superior internal profile.

The procedure of selecting and rolling out a brand new HRMS will be a most vital enterprise each in terms of your time and cash. it's vital that Human Resource takes the lead from the start to make sure that the system matches the department's primary and every one alternative essential needs. Indeed, the amount of practicality of a HRMS ought to be determined by the particular desires of a personal company. corporations ought to additionally create necessary arrangements for human action the changes and coaching final- users, primarily wherever self-service practicality opens component of the system to line managers and staff.

Finally, it will be same that challenges square measure several and of extraordinary implications - giant set-up prices to support a powerful tech- infrastructure

and limits in mapping all physical Human Resource methodes into e-HR process, excess specialise in aggressive timelines in execution of a project, doable conflicts associated with method possession by Human Resource and data Technology departments, etc. However, any e- unit of time installation exercise, if preoccupied within the correct perspective, considering all the challenges in mind will take a corporation an extended manner towards growth. In corporations, that have with success managed these challenges, e-HR has created life easier for workers. No ought to mention the advance in speed and potency of Human Resource transactions, lesser work and value reduction within the long-term. Improved transparency in functions and a full systems approach has expedited most management by prime management.

References

1. Jawadekar WS. Management Information Systems, *Tata McGraw Hill Publishing Company Limited*, 2005.
2. Laudon KE, Laudon JP. Management Information Systems, *Prentice Hall India*, 2004.
3. Murthy CSV. Management Information Systems, *Himalaya Publishing House*, 2004.
4. O'Brien JA. Managing Information Technology in the Business Enterprise, *Tata McGraw-Hill Pub. Co. Ltd.*, 2004.
5. Jessup L, Valacich J. Information Systems Today, *Prentice Hall India*, 2004.
6. Gupta PK, Chhabra S. Human Resource Information Systems, *Himalaya Publishing House*, 2004.
7. Sadagopalan S. Management Information Systems, *Prentice Hall India*, 2004.

8. Davis BG, Olson MH. Management Information Systems- Conceptual Foundations, Structure and Development, *Tata Mc-Graw- Hill*, 2004.
9. Kelkar SA. Management Information Systems- A Concise Study, *Prentice Hall India*, 2003.
10. Casciso WF. Managing Human Resource Productivity, Quality of work life, profits, *Tata McGraw Hill Publishing Co. Ltd.*, 2003.