

## A Case Study on E-HRM: CHALLENGES AND CONSIDERATIONS

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### INTRODUCTION

E-HRM is an application of information technology for Human Resources (HR) practices that enables ease in communication amongst employees and employers. It stores information about payroll, performance management, employee personal data, training, and recruitment. It is the administration of HR strategies, practices and policies at companies through a conscious and directed support with the complete use of web-based technology channels. This mode of Human Resource Management (HRM), which is typically supported by IT and using web technology is called E-HRM. It is different from that of HRIS and Virtual HRM.

E-HRM can have a significant impact on the way traditional HRM functions are conducted. For instance, the recruitment function allows job openings to be posted online, and candidates can apply for positions online. Employees from geographically dispersed locations can collaborate in virtual teams in real time through video, email, etc. In relation to compensation and benefits, e-HRM will simplify the process of reviewing salary and bonus information and researching bonus plans for employees.

### TYPES OF E-HRM

#### 1. Operational E-HRM

Administrative operations, such as payroll and employee personal data, are associated with operational E-HRM. The operational form of HRM allows workers to maintain their own personal data up to date via an HR website or to have an administrative force in place to do so.

#### 2. Relational E-HRM

It is concerned with assisting corporate operations through training, recruiting, and performance management, among other things. In terms of relational HRM, there are two options: supporting recruitment and selection through a web-based application or through a paper-based method (through advertisements, paper-based application forms and letters etc.).

#### 3. Transformational E-HRM

It is linked to strategic HR activities like knowledge management and strategic re-orientation. It is feasible to produce a change-ready workforce using an integrated set of web-based resources that

allows workforce evolution in accordance with the company's strategic decisions or by using paper-based materials.

## **FUNCTIONAL AREAS OF E-HRM**

### **1. E-recruitment**

For the contemporary recruiter, online recruiting and the utilisation of new developing technologies offer several advantages. Some of those are that it makes the process of finding candidates and new business opportunities quicker, cheaper and more efficient. E-recruitment has allowed corporations and job searchers to become more sophisticated and engaging. E-recruitment enhances the effectiveness of the recruitment process and has developed a beneficial way for locating possible candidates who are not searching for a move in their current positions but would be receptive to the appropriate opportunity.

### **2. E-Selection**

Most firms utilise e-selection to achieve a certain goal, such as cost reduction, optimal utilisation of human resources, and protracted viability. To appropriately conduct e-selection, businesses must address a few procedural needs, such as upfront design, vendor selection, and project phases, assessment procedures, protocol for the test event, and feedback to applicants.

### **3. E-learning/web-based training**

Web-based training also known as e-learning is a teaching offered to browser-equipped learners from anywhere, at any time, through the Internet or a corporate intranet. There are two types of Web-based instruction:

- Synchronous – This is facilitated by an instructor.
- Asynchronous – This is self-directed and self-paced.

Instruction could be offered using a mix of static and interactive techniques like learning portals, hyperlinked pages, streaming audio/video, screen cam tutorials, live Web broadcasts, threaded discussions, chats, and desktop video conferencing.

### **4. E-performance management**

E-Performance Management, as the name suggests, refers to performance management through the use of electronic technology. E-Performance Management, a web-based solution, was created to make performance evaluations easier than ever before. It increases organisational performance, employee retention and loyalty, productivity, overcoming communication hurdles, and establishing unambiguous accountability. Managers receive immediate feedback on performance, with the ability to dig down to individual employee performance. This eliminates the need to update performance contracts each year. Clarifies employee expectations, provides chances for self-assessment, clarifies work accountabilities, and helps to increased performance, clearly defined career routes, and encourages job satisfaction.

## 5. E-compensation

E-Compensation is a web-enabled approach to a variety of compensation technologies that allow a company to "collect, save, alter, analyse, utilise, and disseminate compensation data and information."

### **SAP (System Applications and Products in Data Processing) as an E-HRM Software**

SAP is a software vertical started by 5 former IBM employees of Germany in the year 1972. It is known for being the world's largest inter-enterprise software company. It stands at fourth-largest independent software supplier world-wide. The original SAP concept was designed to allow customer interface with a unified corporate database for a wide range of applications. The applications were gradually constructed and today numerous firms including IBM and Microsoft use SAP products to operate their own operations.

SAP applications based on their newest R/3 system, can manage finance, asset, cost accounting, manufacturing processes, supplies, employees, plants and archived records. The R/3 system works on different platforms like Windows 2000, and has a client architecture. R/3's most recent release offers a full Internet-enabled package. It then rebranded its product offerings to mySAP.com which is a full Web interface and includes new E-business applications like supply chain management and customer relationship management.

Customers may use the SAP HR module to manage data about employees and link that with "other SAP modules" and external systems. Companies can model a corporate hierarchy, staff ties to multiple business divisions, and employee reporting structures from the standpoint of Organization Management. Employers may use it to keep track of employee master data, work schedules, wage and benefits information, and so on. Employee skills, credentials, and career objectives are the focus of functionality. It calculates attendance and absences, gross compensation and tax computations, and payments to workers and third-party suppliers.

### **Mozilla Web Docs for performance management.**

Mozilla Web Docs or Mozilla Developer Network is a global portal where employees upload their performance targets. It helps in mid-term review and final appraisals facilities, which guides employees in tracking their career plans by preparing career development action plan. The data available on this portal is subsequently used by HR managers.

### **IBM Web Sphere Portal Software**

IBM has developed this software to provide the framework for companies. This programme enables businesses to deliver highly personalised and secured dimension to Human Resources information accessible from the office, factory, kiosk, or home. Organizations may use this software to combine application services, productivity, contents, and existence tracking into a unified, role-based environment. It improves employee self-service by permitting users to easily access information and

support, communicate with other portal users, and enabling responsiveness to customer demands more quickly and efficiently.

## QUESTIONS

### **1. Why is it challenging for many companies to adapt to this integrated form of carrying out HR tasks?**

People are the most crucial resource to manage, and with organisations under pressure to boost efficiency, something more than a mechanical managerial strategy is required. A few organizations hence use E-HRM, to generate value inside and across organisations for targeted workers and management.

The managerial perspective on the capability and potentiality of human resources must take into account the employee's expectations, objectives, and opinions. Regardless of the solution, the development of E-HRM must be carefully evaluated to maximise the cost effectiveness of data collection, storage, and processing in relation to information demands at various levels of management decision making.

- ✓ Individual employee data that includes personal details, contractual arrangements, education, and so on etc.
- ✓ HR rules and other documents like recruitment and selection, flexible working, equal opportunities, absenteeism etc.
- ✓ Organisational data are the three sources of HR information that give a clear picture on the structure, departmental details, job details, pay and reward structure, patterns of work, and others.

E-HRM obviates to boost staff competencies. It doesn't ensure to give a right fit between costs and organisational requirements and also fails to go an extra mile to meet the company's business requirements. Information security and privacy is a highly challenging aspect. It is wary of the overkill of the human touch which is why it is not apt for the jobs that must and should require human touch to reap the benefits that come along.

### **2. Why should companies adapt to E-HRM in carrying out much effective operations?**

Technology has lately advanced in such a way that e-HRM may build a name for itself, with the emergence of corporate intranets and web-enabled HRIS. The development of E-HRM systems is increasing, allowing the HR function to become more strategic than administrative help, as seen by the shifting role of HR professionals. The primary aim of E-HRM is to increase HR administrative efficiency in order to minimise costs, standardize/harmonize HR rules and practises, and reduce administrative load. It generates data-mining tools, standardises and centralises HR administration in an in-house service centre, creates an effective E-Statement, reviews and assures flexibility of E-HR technology, and develops data-mining tools.

E-HRM enables better management of an enterprise's human resources by boosting thinking, idea generation, and customer service, eliminating redundant activities, providing better personnel information, automating the time-consuming, error-prone HR paper trail, and freeing up time to focus on strategic tasks. When an organisation is larger, the HR function plays a more strategic role, HR experts and HR managers have more expertise, and HRM is more sophisticated, it is possible to deploy E-HRM for a broader variety of purposes and activities. In conclusion E-HRM assists HR in increasing its value by redeploying and becoming more strategic HR practitioners from transactional to strategic activity.

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