Influence of E-HRM on Organizational Performance: A Literature Review

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KEYWORDS

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ABSTRACT

Electronic Human Resource Management (E-HRM) With the speed of technology use in human resource management practice, Electronic Human Resource Management is emerged, and obligates not only revolutionizing way of managing employees within organization but also overall workforce. This paper examines HR Post, and analyses the effect of E-HRM on organisational performance by considering a range of dimensions in which this strategy is introduced. The historical development of E-HRM and its major components, advantages and disadvantages are outlined in the subsequent section of this literature review. Strategic implications for effective E-HRM implementation are discussed in the study taking into account organization, technology and people dimensions. The study is based on empirical evidence, and tangible advantages of E-HRM are found such as increased efficiency, cost-efficiency and better decision making. The article highlights the reasons behind why companies are met with difficulties, such as change resistance, security fears and integration complications. Results indicate that there is a positive relationship between E-HRM adoption and improved organizational performance. The future is also considered and it is predicted that E-HRM systems will be increasingly influenced by artificial intelligence and machine learning, and the consequences of remote working for HR practice are assessed. This research adds to the growing debate on E-HRM, providing a discussion of its transformative impact on organisational performance. Organizations are being urged to adopt. E- HRM strategically when it has potential to maximize HR processes and also the overall organization performance

1. INTRODUCTION

In a time of breakneck technological innovation, businesses are beginning to envision the disruptive effects that Electronic Human Resource Management (E-HRM) can have on traditional HR activities. E-HRM is a new way of getting things done, through information technology to optimize and improve HRM. E-HRM is seen as the answer to this because automation increases the scale of production and complicates human resource management. Ahmed (Ahmed, 2019)) carried out a research which takes a look at the current status of E-HRM practices in manufacturing industries and how such influences organisational performance.. Nowadays, firms consider investment in information and communication technology (ICT) essential for improving their efficiency as well as increasing profitability. A lot of companies have integrated IT into their business operations in order to become more productive. (Elsawy & Elbadawi, 2021).

The objective of this study is to investigate the effect that E-HRM has on organizational performance. E-HRM includes a spectrum of digital mediums and applications that are used for the automation as well as assistance of human resource processes such as recruitment, training and development, performance management, compensation, and employee relation. The implications of E-HRM adoption are important as organisations adopt new ways to meet the changing requirements of the contemporary workforce.

1.1 Theoretical foundation and framework

They also seem to infer that E-HRM involves every possible content and whether structure combination between HRM and IT elements targeting value for concerned employees and management within all levels of organisations. (Bondarouk & Ruël, 2009). There are three key types of HRM activities: administrative, or transaction-based, typical for example for

recordkeeping; traditional (workforce leverage and progression), that is hiring, selecting compensation, appraisal managing the performance and training; transformational (to add value to the company) which includes managing talent. Accordingly, the application of electronic means to the implementation of standard, traditional and modern HRM activities can be named as e-HRM. (Emma Parry, 2010)

1.2 Operational e-HRM

Aside from administrative tasks, non-administration applications of e-HRM can lead to increased efficiency and decreased costs in normal operations such as payroll, e-access control, attendance monitoring and employee record keeping. (De Alwis et al., 2022)

1.3 Relational e-HRM

The objective of relational e-HRM is to enhance the communication between HR professionals and their clientele, which covers line managers, employees and job aspirants through web-based technology. By focusing on communications, PR activities are supported and customer service is improved.—(Strohmeier, 2013)

1.4 Innovative e-HRM system

The transformational execution of an HRM in NCA to be known as the innovative e-HRM is influenced by IT culture, employee behaviour, individual productivity and nonproductive time.

The E-HRM system is an analytical tool used for facilitating better human resource-related decisions entity thereby helping HRM to position itself strategically and become a strategic partner. They enhance organizational performance while freeing up HR practitioners to be able to spend more of their time taking strategic action. People, confidence in technology skills and trust and change management are the drivers behind successful e-HRM. Your participation is essential to a great experience. There is, however, little systematic evidence linking e-HRM to strategic outcomes especially in the context of corporate problems. These studies generally emphasize system adoption and end-user satisfaction, with relatively little systematic research linking e-HRM to strategic outcomes. Even so, e-HRM is positively related to HR planning and change HRM from administrative employees into strategic partners assists long-term strategy development for organization. (Alomari, 2023).

2. LITERATURE REVIEW-

The development of technology has also greatly contributed to E-HRM with the advent of HRIS and intranet in business. We can be more productive by doing less grunt work which also brings organizational maturity. E-HRM practices stimulate designing, creativity and innovation of guidelines, principles and policies. It enhances employee productivity as employees can input data using self-service methods like ESS and MSS methodologies. Out-of-the-box ways to enhance the qualitative and technical skills of an employee resulting in quality control. This study investigates the use of internet application in various public and private sectors of Orissa to observe that E-HRM practices also differ to certain extent0. (Patel & Dhal, 2017) Similarly, a study monitors the effect of e-HRM on organizational performance and talent management in Jordanian industrial organizations. The findings indicate that e-HRM has a significant impact on the realisation of strategic goals, as such is an important antecedent. The results also call on organizations to develop e-HRM strategies and their impact on competitive advantage, human resource development, and strategic alignment. (Oyoru, 2023). Likewise, another work presents a model to enhance employees and firms performance in developing countries. The data was obtained by surveying 35 e-HRM adoptor organizations. Adopting e-HRM usage has a positive effect on employee and organizational performance where, the mediating role of employee performance will leverage its superior benefits. The findings indicate that e-HRM application, when combined with best human resource practices could improve organisational performance. (Nyathi & Kekwaletswe, 2022). E-HRM is now becoming common in the organizations and in large firms, it has played a vital role in globalisation concept. This article presents an implicit model that describes the six elements of nature, objectives, policies, strategies, applications and E-HRM system outputs and emphasizes it importance when it comes to globalization age. The paper seeks to respond to resistance against implementing E-HRM by presenting barriers, opportunities and recommendations for its implementation and development. (Nivlouei, 2014)

2.2 Objectives-

I. To review the determining dimensions and attributes of E-HRM.

II. To assess the outcomes of application of E-HRM in the organizations

III. To examine the influence of E-HRM on OP

IV. To predict and speculate on the future of E-HRM and its impact on organisational practice.

2.3 Significance of the study-

Investigating the effect of E-HRM on organizational performance is critical for strategy implementation, cost reductions and savings, obtaining competitive advantage, impacting employee retention and satisfaction, responding to technological

shifts, enacting effective change strategies; enhancing literature in academic institutions; augmenting learning capabilities in organization systems; maintaining legal compliance levels at work; energizing and empowering staff members; predicting future trends revolving around HR. E-HRM can help to ensure that HR strategies are in line with the adoption of technology, to increase efficiency and effectiveness within the business environment and ultimately, for business organizations towards achieving competitive advantage. It also helps to comprehend the impact of E-HRM on empowerment and engagement of the employees, thus developing the work culture positively. Accordingly, investigating the implications of E-HRM on performance of the organization is very important to organizations interested in gaining competitive advantage, scholars furthering their contributions to HRM literature and policy-makers articulating ethical HR practices in digital age.

3. COMPONENTS OF E-HRM-

3.1 E- employee profile - E-Employee Profile web application is complete database solution for HR Management and Team building, contact info, skills, organization structure with pics.. It contains certifications, honors, memberships, education history, prior work experience, assignment rules, availability information and exception hours to help you make better decisions in a timely manner.

3.2 E-Recruitment- Organizations began using computers as a means of recruitment, posting openings on electronic bulletin boards. Today the internet has become a joint tool for both employer and candidate to look for candidates. E-HRM (Online Recruitment) Comapnies post their vacancies on their own web sites of recruitment vendors which are maintained by them so that applicants can also submit online resume to itself. Resume overflow, bad reputation and non-presence of working website and databases are risks looming large particularly with an executive search.

3.3 E-Selection- Online selection is a growing trend with employers using on line job search engines to find potential employees

and exploiting robust IT for online tests – saving money as well as recruitment.

3.4 E-Learning- E-Learning is a system of learning on electronic and computer device, application systems or processes arranged for knowledge creation, management & transfer including Web-based learning, Network-based education such as virtual class room and digital collaboration at bounds by time or placement to late content via media outlets.

3.5 E-Training Such method of training is convenient and cost effective, as it enhances virtual distribution of trainings Tailor-made solution for remote and disadvantaged areas. But it can lead to obstacles, including no access to the equipment and isolation.

3.6 E-Performance Management System: It is a system in which, the appraisal for skills, knowledge and performance of employee are evaluated through internet thus it can be cost effective 3. E-HRM contain data on performance appraisal, criteria and documentations for example. Email is probably the most prevalent method of communicating in business, cutting down on paper waste and eliminating administrative costs as well as response time.

3.7 E-Compensation - Compensation planning is an integral part for a company in order to distribute the salary increases equitably and within budget. ● E Compensation Management -Net & Intranet based which brings down the cost of money to be spent.

3.8 HRIS- The HRIS is an online HR service and information system available 24 hours a day, every day of the year which contributes to less paper production and environment conservation. It also allows companies to classify their workforce and audit employee data, which can save time and money by reducing frivolous paperwork.

–(Swaroop, 2012),(Zafar & Shaukat, 2010)

HRM practices in IT Sector-

Introduction The arrival of web and web based applications, has greatly changed human resource management, resulting in HR now being a door and not an individual. This paper investigates new e-HRM practices in IT organizations which are e-recruitment, etraining, e-learning, e-selection, ep-performance management and e- compensation. Information was collected from IT companies such as TCS, Infosys, HCLTech Mahindra and Wipro.

 e-HRM practices in Service Sector-

Financial institutions are not an exception, organizations in this sector are adopting E-HRM to be competitive. Nevertheless, there is limited scientific evidence of this in Sri Lankan context. Research objectives and hypotheses This research seeks to examine the effects of E-HRM on organizational performance with a focus on the mediation role of organization agility. The findings were based on a survey conducted among 40 financial institutes in Sri Lanka and it revealed that E-HRM practices have significant positive impact over organizational performance, while the mediation of relationship is considered for the organization agility. (ADS Thathsara, 2021). The paper in focus investigates the effect of e-HRM adoption on organizational performance among banks in Nigeria. It is underpinned by Social Systems Theory,

and Stellenbosch University The study utilized SWED (1.0) questionnaires in a survey research design. The findings indicate a strong relationship between e-recruitment and employees' performances of the selected banks. Service delivery of service quality and HR management effectiveness are improved when e-recruitment systems are adopted. There's also fair and equitable pay for workers. Efficiency improves with every percentage point increase in e-compensation. Electronic interviews are incorporated into the recommendations for commercial banks, designed to enhance selection fficiency and save time, errors, human labor. (Oyoru, 2023)

3.2. e-HRM practices in manufacturing Sector-

Humans are very important for any company, they really make a difference in the performance of that company. Organisations must control resources such as money, power and raw materials in order to achieve their missions. And their management is key to both profitability and market growth. The human resource functions have developed in recruitment, training, performance appraisal, and pay management. Considering industry-type and technology, clerical HRM practices are being adapted in manufacturing industries replacing e-HRM practices. In a study conducted on 496 manufacturing firms in Tamil Nadu, it's concluded that e-HRM practices are more effective and it has benefits such as time saving and accuracy. (Gokul K & Indranjith P, 2022) However more serious side effects are unknown.

3- e-HRM and organizational performance-

The performance of organizations is measured by a spectrum of parameters, such as job satisfaction, customer satisfaction, productivity quality levels of performance earnings investment profitability and business growth. (Hussain et al., 2023) Non-monetary drivers like job satisfaction, and Emp1oyee engagement plays vital role in LTI (long-term- commitment out'comes. Employees who are highly engaged tend to devote themselves to their organization, resulting in a competitive edge. E-HRM has been highly associated with enhanced operational performance, as it simplifies administrative operations, increases operational efficiency and mitigates administrative overheads. E- HRM systems enable better communication and information sharing, which leads to efficient employees. Studies have indicated that there is a positive relationship between E-HRM and organizational performance where technology, organization, people and social are very vital in the success of the implementation of HRM. successful deployment of E-HRM can lead to better overall corporate performance, cost savings, higher HR productivity and strategic roles for HR professionals that contribute to Organizational effectiveness and competitiveness. (Alomari, 2023)

This research work is aimed to investigate the influence of E-HRM on the organizational performance in textile industry of Pakistan. A quantitative research observed direct relationship among E-HRM and the organization's performance. The E-HRM capability mediated the effects of IT training on organizational performance. The study illuminates the role of IT training in successful execution of e-HRM practices and impact on organizational performance. (Muhammad Naeem Shahid, 2023). A conceptual model for realizing the impact of E-HRM on Organizational performance and a mediating role of technological opportunism is also presented in another paper. This implies, firstly, that there is limited knowledge in this field and that it cries out for immediate empirical follow-up and secondly, that investment in e-HRM can enhance performance. (Alkashami & Ahmed, 2022).

4. RESEARCH METHODOLOGY-

Secondary sources Findings of this study were based on secondary data from several sources. The data collected reporting were obtained from the last 10 year publications published relating E-HRM and organisational performance. Data were gathered from books, journals and other print media using the following terms: E human resource management, organizational performance. The aim of literature review is to provide comprehensive information related with the topic and in designing studies. These HR processes include recruitment, performance management and appraisal, training & development, compensation & benefits, organisational performance, and future directions in e-hrm.

5. FUTURE TRENDS IN E-HRM-

Next generation HR will see most of it being outsourced, and in that way you decrease the resistance within any company to further change, and at tbe same time improve customer satisfaction. To ensure E-HRM success, scholars and practitioners have devised these techniques as reengineering HR processes, education and training, and change management. Change management in an organisation can be a full time exercise simply managing people, expectations and resistance to change misconception. The responsible parties should get approval and support of the top leadership in project implementation for them to make progress. The project's executive sponsor needs to manage and harmonize all the functions of the project between development team and top management.-(Soltani & Mirzanejad, 2012) One paper types various Green HR practices worldwide, its simplistic definition, future road-map of GHRM functions and possible HR initiatives in green organizations will add more information to the existing literature on environmental management(Ahmad, 2015) Artificial intelligence (AI) is from computer science that solutions for cognitive issues based on:

human aptitude. It combines machine learning and deep computing to do things like problem-solving and language understanding. AI is being adopted in HR departments to drive better performance, successful hiring and effective

employee management. AI can help save production cost, increase the value of talent and improve the efficiency of team tactics. Future AI in HRThis paper discusses future applications for the integration of AI into human resource management, such as strategic fit (Zahra Almaghaslah, 2023), Strategic fit is more becoming increasingly important in organizational hrm, with machine learning and AI-based solution become all too prominent. This research studies the major aspects of HR that AI-based solutions can leverage to enhance process quality, taking into account employee engagement, management of organizational culture and appraisal systems. Methods Decision tree and logistic regression give better results to solve these above problems, which is not only good for making the effectiveness of human resource strategy but also taking strategic human resource management. (Rudra Kumar & Gunjan, 2022).

6. ISSUES FOR THE IMPLEMENTATION OF E-HRM

Five challenges and opportunities E-HRM is developed particularly for: Enhanced qualifications for knowledge and skills Increased diversity of reports Focus on strategic human resource management planning Division of labor between practitioners Integration of human resource management software components Experts emphasize following five finds in implementation of the E-HRM. Obstacles involve investment cost, management opposition, users' resistance for the non-standard user interface, un-planning and resistance regarding no documentation and training. Resistance accounted for 62% of challenges, underscoring the need for resistance management when introducing E-HRM to an organization. (Nivlouei, 2014).

Proposed Model

This paper has analyzed the literature on E HRM and organizational performance and proposed the following model:
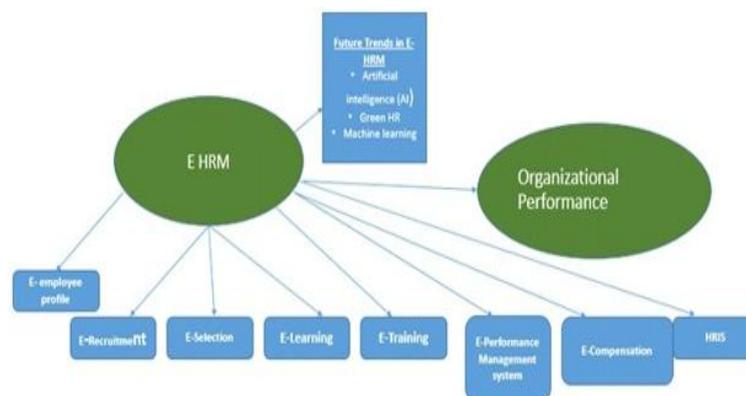

Figure 1: Proposed Model of the research

7. CONCLUSION-

The research extends the E-HRM frameworks by applying them to the dynamics of E-HRM on organizational performance. It indicates the positive effects of E-HRM on efficiency, saving cost and employees satisfaction. Some risks are obvious; others, not so much like pushback from workers and HR. Outlines the importance of predicting future developments in E-HRM, for example use of artificial intelligence and machine learning. The research calls for investment in leadership and change management, ongoing learning, and balancing technology with human interaction to ensure successful adoption of new tools and change. The study suggests some interesting areas for future development, such as the impact of new technologies and the further development of E-HRM. Academic-industry research in HR Features: Making fresh breakthroughs in HR requires academic-industry collaboration. With that said, the relationship between E-HRM and organizational performance is a complex and continuous. exploration. Riding the crest of this intersection, companies that adapt and evolve while focusing on their people are bound to succeed in a digital economy. E-HRM as such an evolving issue, would be a crucial base for organizational success in the future since technology will continue to evolve.

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