Strategic Role of E- HRM in the IT Industry: An Empirical study on the IT Companies of Bengaluru

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Abstract

The HR department of any given organization is the most crucial as the main task is of recruiting the right person at right time and at right place. Then the responsibility of training and development also lies with the HR department. Some other tasks of HR department may include maintaining the life balance of the employees, keeping track of promotions and filling the skill gaps in the respective organization. Then in the present scenario terms like performance management and knowledge management are also associated with the HR department itself. This present study attempts to make a point that the strategic role of E-HRM is to bring positivity in the attitude of the employees and to make them efficient enough for the cause of the organization. This study is conducted in the selected IT companies of Bengaluru. The total sample size was 200 employees and ANOVA is used to test the hypothesis.

Keywords: Strategy, E-HRM, IT Industry.

Introduction

If we look back at the very development of IT industry and the development of Information Technology itself, it has started with some of the basic inventions in the 17th century and reached the advanced version of Nano-technology in the present times. The other types of industries are now dependent on IT industry to a certain extent. Along with the growth of industry and demand in the market, the respective use of technology has increased in all type of industries. From the functions of production, procurement, processing, etc. the next stage was the keeping track of employees working in any of the given organization and this gave rise to basic data base management systems and the respective solutions were found in the form of basic version of Fox Pro to the present version of ERP in the given organization.

Now at the second level if we talk about the HR department of any given organization, it can be said that it is one of the most crucial departments as the main task is of recruiting right person at right time and at right place. Then the responsibility of training and development also lies with the HR department. Some other tasks of HR department may include maintaining life balance of its employees by keeping track of promotions and filling skill gaps in the respective organization. Then in the present scenario terms like performance management and knowledge management are also associated with the HR department itself.

As stated by Hendrickson 2003, after the European recession the responsibility and accountability of HR departments has increased and in the lieu of the same many organizations had started to integrate Information Technology in their respective HR departments. With the new and learned work force some other issues like

performance appraisal, high attrition rate, etc. started to catch up. Then on the other hand such issues emerged in the field of IT and ITES based companies where the rate of attrition is high, only specialized workers are required and up gradation is the life and blood of the industry.

In the late 90s' a new term E-HRM was introduced in the IT industry, which was specifically related to the strategic formulations, framing of policies, networking with related market forces. E-HRM is capable of handling a number of functions at a time and minimum workforce is required to implement it. It is important to mention that most of the functions of E-HRM were based on web-technology, like connecting to international clients, recruitments, training, performance management and other related functions. In the present scenario companies are in the practice of HR planning which is a long term goal of any given organization. It acts just like forecasting for future needs and is based on real time and authentic data, if the data is not proper then the planning will go wrong and results may be devastating for the organization. This is because of the reason that in the present cut throat competition the market forces do not give a second chance to any of the entities.

It is not so that the bed of E-HRM is covered only with roses, there are some thorns as well i.e. there are some of the shortcomings of the system as well. Some of such shortcomings are stated as follows:
- E-HRM is capable of generating new jobs and training the employees but on the other hand it disseminates the involvement of human touch and feeling of association in the respective organization.
- The drive of E-HRM considers a person working for 24 x 7 this eliminate the sense of privacy in the employees i.e. there are no working hours but then again there is no personal time as well.
- The working of the organization goes international and the business is open for all 24 hours, this appropriation is not comfortably taken by all the employees and the attrition rate increases.
- The traditional system of hierarchy in the organization is long gone and in the present time all are the levels are working as a team.

Along with all pros and cons of E-HRM this present study tries to evaluate the strategic role of the same in the given organization and attitude of the employees towards the same.

Objectives of the Study:
- To evaluate the strategic issues related to E-HRM in any of the given Organizations.
- To compare the outcomes of E-HRM Practices with those of Manual Human Resource Practices

Hypothesis
Hypothesis 1
H_0**:** There is a positive relation between the E-HRM practices and attitude of the employees towards the same.
H_1**:** There is a weak/no relation between the E-HRM practices and attitude of the employees towards the same.
Hypothesis 2
H_0**:** There is a strong positive relationship between E-HRM Practices improvement in efficiency of execution level employees.
H_1**:** There is a weak/negative relationship between E-HRM Practices improvement in efficiency of execution level employees.

Research Methodology
Sources of Data
Both primary and secondary data were considers for the conduct of this study.

Secondary Data
Secondary data is used to get a more clear insight of the chosen topic, in this present study different research papers from a number of national and international journals, IBEF report from 2015 to 2018 were considered, and even some of the articles from various issues of economic times are also considered.

Primary Data
To collect the primary data a structured questionnaire is exercised with the respondents. Most of the questions in the questionnaire are in the form of Likert Scale (*where 1 means highly agreed and 5 means highly disagreed*).

Sampling Area
The area of sampling is Bengaluru region, as many of the regional and zonal offices of chosen companies are situated here.

Sampling Technique

In this study the sampling was random in nature; this is because of the reason that the number of execution level employees is approximately 70-85 in all the selected companies, hence considering the average number of employees as 75, 50% of the same i.e. 40 employees were considered as sample respondent from each of the companies.

Then at the second level, the number of companies is 5, hence the total number of sample respondents reached around 200.

Sample Size

Sample size in the present study is 200 respondents; this sample size is the chosen on behalf of some of the earlier (*Indian and Foreign*) studies, conducted at the different time frames. Mainly the sample involves People from software development, sales and marketing professionals and even the employees from finance department.

Statistical Tools Used

Analysis of variance (AANOVA)is being used to test the hypothesis.

Data Analysis and Interpretation
Hypothesis 1
Summary of ANOVA Results*H 1*

On the Basis of Age	F	Sign.
You find manual HR practices more comfortable	7.056	6.008
Do not believe much on electronic mode of documentation	7.369	6.405
You can work more efficiently than present state of working	**2.923**	**2.034**
Training activities are more fruitful in physical contact system	1.133	1.935
Human factor is avoided in all the E-HRM practices	1.297	.820
Biometric system of attendance is more precise	4.925	4.002
Employee data base maintained electronically is more authentic	2.033	2.902
On the Basis of Education		
You find manual HR practices more comfortable	**1.705**	**1.165**
Do not believe much on electronic mode of documentation	10.697	.000
You can work more efficiently than present state of working	**2.371**	**2.070**
Training activities are more fruitful in physical contact system	**2.459**	**2.062**
Human factor is avoided in all the E-HRM practices	**.173**	**.215**
Biometric system of attendance is more precise	**.779**	**.606**
Employee data base maintained electronically is more authentic	**.646**	**.586**
On the Basis of Cadre		
You find manual HR practices more comfortable	4.166	.006
Do not believe much on electronic mode of documentation	1.531	1.314
You can work more efficiently than present state of working	7.887	6.994
Training activities are more fruitful in physical contact system	**4.537**	**4.004**
Human factor is avoided in all the E-HRM practices	**.316**	**.414**
Biometric system of attendance is more precise	1.921	1.668
Employee data base maintained electronically is more authentic	**.676**	**.508**
On the Basis of Experience		
You find manual HR practices more comfortable	3.445	2.017
Do not believe much on electronic mode of documentation	1.360	1.293

You can work more efficiently than present state of working	3.352	2.019
Training activities are more fruitful in physical contact system	4.508	4.004
Human factor is avoided in all the E-HRM practices	**.510**	**.676**
Biometric system of attendance is more precise	2.677	3.674
Employee data base maintained electronically is more authentic	4.408	4.005

As it can be seen from the above given table of ANOVA results, that in most of the cases the value of 'F' Ratio is not much variable than the 'Sign.' Value. This states that most of the sampled respondents are positive towards the respective queries.

Like in case of age of the respondents, other than '*You find manual HR practices more comfortable*' and '*Do not believe much on electronic mode of documentation*' the value of 'F' Ratio is not much variable than the 'Sign.' Value. This variation in the responses states that the employees who are above the age of 45 years and those who are working in the same industry for a particular period of time were found to be more reluctant to any type of changes that are brought about in the respective process of the organization.

Then on the basis of education, the level of variation is high which shows that the employees having a proper education were less reluctant to the perils of E-HRM in the organization and on the other hand the employees who had achieved a said position in the organization on behalf of their experience and quality of working. Now the people who are having the education from the current

system of teaching are found to be more versed with the application of E-HRM in their respective work area and the other type of employees were found to be reluctant to the application of the same.

Then on the basis of cadre and experience again the level of variation is less for the employees with high experience and higher cadre were found to be more reluctant to the application of E-HRM practices in their respective work area as they found their present state of working as efficient enough and do not want it to be changed. On the other hand new employees do understand the importance of E-HRM and appreciate any such initiative take by the respective organization.

Result

As discussed above it can be stated that over the employees in the selected companies were having a positive attitude towards the application of E-HRM practices in their respective area, hence the null hypothesis '*The attitude of employees towards the E-HRM practices is generally positive*' can be accepted and the alternate hypothesis can be rejected.

Hypothesis 2
Summary of ANOVA Results*H 2*

	F	Sign.
On the Basis of Age		
On the job training is more result oriented	.155	**.926**
Disbursement of fund became efficient via E-HRM practices	.688	1.559
Employee portal is regularly updated	.660	1.577
Flow of information faster and easier using E-HRM practices	.365	**1.778**
E-HRM made the self-assessment easier and faster	.889	1.446
Have more time for self-improvement	4.408	3.005
Learning process is enhanced and improved	3.445	3.017
On the Basis of Education		
On the job training is more result oriented	3.098	3.016
Disbursement of fund became efficient via E-HRM practices	.534	**.711**
Employee portal is regularly updated	.983	1.817
Flow of information faster and easier using E-HRM practices	1.885	1.112
E-HRM made the self-assessment easier and faster	1.117	**1.348**
Have more time for self-improvement	1.443	1.219

Learning process is enhanced and improved	3.445	2.017
On the Basis of Cadre		
On the job training is more result oriented	.316	.814
Disbursement of fund became efficient via E-HRM practices	7.921	6.973
Employee portal is regularly updated	.209	**.890**
Flow of information faster and easier using E-HRM practices	.579	**.629**
E-HRM made the self-assessment easier and faster	.993	1.396
Have more time for self-improvement	.593	**.620**
Learning process is enhanced and improved	.456	**.503**
On the Basis of Experience		
On the job training is more result oriented	1.111	1.344
Disbursement of fund became efficient via E-HRM practices	3.445	3.112
Employee portal is regularly updated	.316	**.414**
Flow of information faster and easier using E-HRM practices	1.921	.982
E-HRM made the self-assessment easier and faster	.082	**.970**
Have more time for self-improvement	.360	**.782**
Learning process is enhanced and improved	1.355	1.256

Findings

As can be seen from the above given table of ANOVA results, that in most of the cases the value of 'F' Ratio is more than the 'Sign' value. This states that most of the sampled respondents are agreed that after the implementation of E-HRM their efficiency has improved.

Like in case of age of the respondents, other than '*Have more time for self-improvement*' the value of 'F' Ratio is not much variable than the 'Sign' Value. This variation in the responses states that the employees who are above a particular age limit stated that they have to upgrade the system as well as their knowledge in accordance to any of the changes brought about in the process, it is time taking and hard to learn. They also stated that the manual system of working is easier to remember.

Then on the basis of education, the level of variation is high which shows that the employees having a proper education were less reluctant to the perils of E-HRM in the organization and on the other hand the employees who had achieved a said position in the organization on behalf of their experience and quality of working. Here it

is important to mention that most of the employees were agreed to the point in question and stated that their efficiency had improved to a certain extent by the application of E-HRM in their respective work area.

Result

As discussed above it can be said that over the employees in the selected companies were agreed to the point in question that their respective efficiency has improved after the application of E-HRM practices in their respective area, hence the null hypothesis '*There is a strong positive relationship between E-HRM Practices improvement in efficiency of execution level employees*' can be accepted and the alternate hypothesis can be rejected.

Conclusion

This study was carried out in Human Resource Department. Electronic Human Resource practices provides a more productive and strategic way of working to achieve the organization objectives. These

days, considerable technological systems have risen, guaranteeing to cover almost every traditional human This study was carried out in Human Resource Department. Electronic Human Resource practices provides a more productive and strategic way of working to achieve the organization objectives. These days, considerable technological systems have risen, guaranteeing to cover almost every traditional human This study was carried out in Human Resource Department. Electronic Human Resource practices provides a more productive and strategic way of working to achieve the organization objectives. These days, considerable technological systems have risen, guaranteeing to cover almost every traditional human This study was carried out in Human Resource Department. Electronic Human Resource practices provides a more productive and strategic way of working to achieve the organization objectives. These days, considerable technological systems have risen, guaranteeing to cover almost every traditional human Present study was conducted on evaluating the impact of E-HRM practices on the efficiency and level of acceptance of the same by the employees in different department of selected IT companies. This is a well-known fact that IT sector is among the first few industrial sectors who applied E-HRM practices in their respective organizations. Knowledge of computer systems, opportunity to design tailor made software and even the support of employees for implementing the same are some of the points that had provided them upper edge over the rest of the industry types.

The results of the study stated that most of the employees are having positive attitude towards the implementing the E-HRM practices, some of the employees who are higher on age and experience were found to be reluctant to this drive and feel that the manual system was more appropriate. Then on the other hand most of the employees in all the departments were agreed to the point in question that their efficiency has improved in all respects after the implementation of E-HRM in their respective work areas.

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