

E-HRM IN SOFTWARE ORGANIZATIONS

V. Antony Joe Raja

Research Scholar

Anna University of Technology Coimbatore
Coimbatore, India

Dr. S. Balasubramanian

Research Supervisor

Anna University of Technology Coimbatore
Coimbatore, India

ABSTRACT

The use of technology in HR (e-HRM) is well established for the purposes of improving HR operational processes and allowing distributed access to employees and managers. The objective of this paper is to identify the challenges associated with the implementation and some recommendations for enhancing the effectiveness of e-HRM systems in IT organizations. The paper presents a broad framework of an approach to incorporate aspects pertaining to the possibility for introducing e-technology to the HR systems and usage of e-technology for HR functions in IT organizations.

Keywords: e-HRM (Electronic Human Resource Management), HRM (Human Resource Management), IT (Information Technology), CHRIS (computer-based human resource management systems)

INTRODUCTION

Human resource management is the planned and consistent approach to the management of organizations for the most valued possessions. The terms human resource management and have largely replaced the term personnel management as a description of the processes involved in managing people in organizations. It employs people, developing their capacities, utilizing, maintaining and compensating their services with the job and organizational requirement.

Hensi Margareta (April 2008), as the increased of internet users nowadays, many people try to build their business through internet. (Arti Bakshi) quotes Information Technology has played an important role in HRM practices. E-HRM is the application of IT for HR practices which enables easy interactions within employee and employers. It stores information such as company payroll, employee data, training, recruitment.

DEFINITION OF E-HRM

Olivas-Lujan MR, Raminez J, Zapata-Cantu L (2007) mentioned that the term E-HR or E-HRM was first used in the late 1990s when ecommerce was sweeping the business world. E-HR is used interchangeably with virtual HRM, HR intranet, web-based HR, computer-based human resource management systems (CHRIS), and HR portals

EVOLUTION OF E-HRM

Regular observation and feedback are critical for the success of any e-HRM effort in an organisation. (Arti Bakshi) It decreases the paperwork substantially and allows easy access to voluminous data. It can also be used for implementation of different HR strategies. Kovach, K., Hughes, A., Fagan, R1 Maggitti (2002) says the term e-HR first came into use in the 1990s when e-commerce started dominating the business world.

Panayotopoulou, LI Vakola, M., Galanaki, E (2005) As technology improves, organizations can use information systems to manage a larger number of HR processes in an increasingly effective manner to contribute to the availability of strategically significant information and knowledge, thereby potentially improving competitive advantage.

(WordPress and Manifest) The backbone of any organization is formed by its human resource. No matter how advanced is your manufacturing procedure or how revolutionary is the product you have conceptualized; It involves both qualitative and quantitative approaches and the breadth of human resource management is immense.

TYPES OF E-HRM

There are three types of E-HRM. They are publishing through web, Computerization of transaction and Transformation of organization. First type is focus with administrative functions and employee personal data by web. In Second type is to support business process through training, recruitment, etc used by electronic conversion. The last type is mainly focus on the transformation of HR system.

GOALS

E-HRM is seen as offering the potential to improve services to HR department clients (both employees and management), improve efficiency and cost effectiveness within the HR department, and allow HR to become a strategic partner in achieving organizational goals. According to (Huub Ruel, Tanya Bondarouk, Jan Kees Looise) there are three types of goals. They are

- Improving the strategic orientation of HRM
- Cost reduction/efficiency gains
- Client service improvement/facilitating management and employees

CHALLENGES OF E-HRM IN SOFTWARE ORGANIZATION

(Varma Shilpa and Gopal R) Among the most prevalent issues facing management are control, business requirements and best practices. Some of the major challenges that have been identified are

- Cost Implications
- Aligning the e-HRM system with the business requirements
- Security of the information generated
- Training the users a crucial issue
- The Return On Investment (ROI) on an e-HRM project to be justified
- ERP to function along with other systems to be successful
- Attrition and Retention

SUGGESTIONS FOR IMPLEMENTING EHRM IN IT ORGANIZATION

Once implemented e-HRM (SRC 2005) covers all aspects of human resource management:

- ✓ Corporate organisation
- ✓ Job descriptions
- ✓ Personnel administration
- ✓ Career development
- ✓ Education and training

- ✓ Annual interviews with employees
- ✓ Hiring process
- ✓ Employee's personal pages

(Varma Shilpa and Gopal R) A careful consideration of all the outlined issues is imperative before undertaking any e-HRM business enterprise. Some of the important issues to be considered before going in for any e-HRM business enterprise are highlighted here

Arrangement for employee and organizational issues

Most companies understand the need to address potential issues when implementing large-scale, cutting-edge initiatives. The Key to Success lies in seeking stakeholder engagement and buy-in, assessing organizational impact and creating communication and training plans.

Online HR

Martinsons. M (1996) quotes an online HR system or e-HR may include Enterprise Resource Planning software [ERP], HR service centres, manager and employee portals and web applications. A modern online HR system allows employees to control their own personal information by updating records and conduct analyses, make decisions and communicate with others, without consulting the HR department.

Creating an Effective e-Statement

Communicating the value of investment in employee compensation, health insurance, pension plans and other benefits is crucial for engaging and motivating employees. Web-based total compensation statements, or e-Statements, are important tools for increasing employee's benefits awareness.

E-Recruitment

Hensi Margareta, (April 2008), the system is aimed to find right and professional candidates that can fit to their organizations as well. Company usually sets up a management process when they think that they need to hire new persons. This system is actually the same with the traditional system, but all the processes will be done by using the internet and web systems. The test and interview will be done via online. The implementation of technology in e-recruitment can be seen from the use of database system.

Data mining tools

Data mining tools use regression and other analytic techniques to discover and report correlations and trends among sets of data. To get the most from data mining processes, organizations should improve data accuracy, establish global standards and emphasize actionable insight.

Investing in Portal Technology

While the potential expansion of employee portal and intranet budgets is welcome news, capitalizing on it requires careful prioritization of resources. Personalization gives employees the information they need without requiring them to sift through materials they don't and also helps company's direct communications and messaging to specific employee groups. By strong, smart search engines in place, companies help employees find the information they need, when they need it, with a minimum of effort.

E-learning

Many organizations are now adopting a approach to learning and development. This is based on the recognition that e-learning just one of many forms of training delivery, all of which have a role to play in providing employees with essential knowledge and understanding.

Up-gradation of Skills through Re-training

Rapid and unpredictable technological changes and the increased emphasis on quality of services are compelling software businesses to recruit adaptable and competent employees. Software professionals themselves expect their employers provide them with all the training they

may need in order to perform not only in their current projects but also in related ones that they may subsequently hold within the organization.

Internet & e-mail policies

It is essential for employers to develop robust security procedures for their IT systems and to spell out to employees what is considered acceptable and unacceptable in terms of their e-mail and Internet use at work, whether this is for business or personal reasons.

ADVANTAGES AND FEATURES OF THE E-HRM

- Gradual implementation
- Adaptability to any client
- Integral support for the management of human resources
- Prompt insight into reporting and analysis
- A more dynamic workflow in the business process, productivity
- A decisive step towards a paperless office
- Lower business costs

According to the (E-HRM system) the following are features of e-HRM

- Web based HRM application
- Customizable work flow flexibility
- Access control and multi site capability
- Integrated with Time Management System
- Integrated with Payroll System

CONCLUSION

Any e-HRM installation keeping all the challenges in mind can take an organization a long way towards success. Increased transparency in functions and a total systems approach has facilitated better control by top management. HR practitioners must also play a down to business role in software industry. To create an effective e-Statement, Standardizing and Centralizing HR administration in an in-house service center, Assessing and ensuring the flexibility of the e-HR technology, e-Recruitment, Training, Developing Data-mining tools. The fact remains that e-HRM enables better management in software enterprise's for most important of its competitive edge.

REFERENCE

1. Hensi Margaretta (April 2008), "The implementation of technology in e-HRM", Creative and Innovative Thinking, , <http://h3ncy.wordpress.com/2008/04/30/the-implementation-of-technology-in-e-hrm/>
2. WordPress and Manifest, "Electronic Human Resource Management & HR Administration Software Important For Strategic Alignment Of Human Resource", Do it for a Month, <http://doitforamonth.com/articles/>
3. Arti Bakshi," <http://www.citehr.com/219800-e-hrm.html>
4. Varma Shilpa and Gopal R (Jan 2011), "The Implications of Implementing Electronic-Human Resource Management (E-HRM) systems in Companies", Journal of Information Systems and Communication, Vol.2, pp.no.10-.29.
5. Kovach, K., Hughes, A., Fagan, R1 Maggitti, P Administrative and strategic advantages of HRIS. Employment Relations Today [online]. 2002, 6p. [cit.2009-05-10]. <http://www3.interscience.wiley.com/cgi-in/fulltext/97516800/PDFSTART>
6. Martinsons, M. (1996), "Human Resource Management applications of knowledge based systems", International Journal of Information Management, Vol. 17, No. 1, pp. 35-53. ISSN 0268-4012.

7. Panayotopoulou, L1 Vakola, M., Galanaki, E., “E-HR adoption and the role of HRM: evidence from Greece. Personnel Review. 2005, p. 18, [cit. 2009-04-25]. http://papers.ssrn.com/sol3/papers.cfm?abstract_id=975442
8. Huub Ruel, Tanya Bondarouk, Jan Kees Looise, “e-HRM: Innovation or Irritation An explorative empirical study in five large companies on web-based Human Resource Management”,[http://www.nwo.nl/files.nsf/pages/NWOP_5Y9BY2/\\$file/MES_eHRM_samenvatting.pdf](http://www.nwo.nl/files.nsf/pages/NWOP_5Y9BY2/$file/MES_eHRM_samenvatting.pdf)
9. Olivás-Lujan MR, Ramez J, Zapata-Cantu L (2007),” E-HRM in Mexico: Adapting innovations for global competitiveness”, Inter. J. Manpower. 28(5): 418-434.
10. SRC,“eHRM Business solution for human resources management”, <http://www.src.si/en/products/ehrm/default.asp>
11. E-HRM Systems, <http://www.webse.com.my/eBusinessSolutions/eHRM.asp>