HR Professionals Perception towards Electronic Human Resource Management

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Abstract

Purpose of the study: Human Resource Management (HRM) is one of supportive activity, which added value to the organization. HRM has passed several eras and got reach to the electronic era of HRM. At present, the organizations try to perform HR functions with the support of electronic or web-based Systems. With this new context, HR department is converting to more strategic focus rather than the administrative focus. Further, the task and duties of HR professionals also change with technological advancement. However, HR professionals perception E-HRM directly influence to the level of acceptance and association of the new systems. Under this background, this study was expected to review HR professional's perception on E-HRM

Methodology: This study is a cross-sectional field study and the inductive approach was used. The population of the study represented by HR professionals in large companies which have already implemented E-HRM systems in an around western province in Sri Lanka. Random sampling method use for select the sample for the study, and final sample is 11 professionals. All the gathering data was categorized by using thematic analysis.

Finding of the study: It was found that managers have a knowledge about the HR technology; however, some are not familiar with the term of E-HRM. They are expected to be automated more HR functions and try to upgrade with advance HR technology to get more benefits. Further they believe this technology assistance with shifted them role from administrative to the role of strategic agent. However, they have recognized that lower skill level of the employees, their resistant to change and higher maintenance cost of the new systems as the major challenges to transformation.

Conclusion of the study: It was concluded that the E-HRM is changing the HR managers' role to strategic business partner. It is suggested that build a strong collaboration between HR department and line managers. Further, before implement the HR systems it should change the people mind set to implement in proper manner.

Keywords: E-HRM, HRM, HR managers, Line managers, HR managers' role

Background of the study

During the last decades, changes in technology create trendy advancement in the business world. It has reshaped the way we communicate, work and the way of doing business. It affects the business by improving of business in efficiency, effectiveness and productivity and transiting the business in the way people create, organize, manage and operate a company (Zhang & Wang 2006). These various technological changes and improvements greatly affected to the function of Human Resource Management (HRM).

Since the emergence of the internet, a new era of HR termed as Electronic Human Resource Management (E-HRM) has started, dramatically reengineering the HR practices and tactics to the function in an extremely competitive market. Strohmeier (2007) defines E-HRM as the utility of information technology for networking and supporting at least two person or collective actors in their shared performing of HRM activities. Under current environment, E-HRM is expected to facilitate a more efficient and strategic way of working for HR professional's. As Katou, (2008), De Silva and De Alwis (2007) E-HRM technology supports the human resource function to comply with the human resource needs of the organization across web technology-based channels.

Traditionally HR professionals has a lot of administrative and paper work, which are done by manually that, is time consuming and less accurate (De Alwis, 2010b, De Alwis, 2011). According to Beadles et al (2005), E-HRM has given an opportunity to top management and HR professionals to become strategic partners rather than being administrative experts. As per Snell et al (2002), HR executives nowadays have been required to more strategic, flexible, cost efficient and customer oriented. The adoption of E-HR, HR professionals have played the function of administrative expert and employee champion and the adoption of E-HR has shifted the focus of HR by being targeted on operational HR to being extra of a strategic partner to the organization by getting extra concerned in strategic decision-making (De Alwis, 2010a). This strategic role no longer provides valued measurement to the HR function, but additionally changes the abilities that define the achievements of HR professionals (Bell et al, 2006).

Perception can be recognized as the way in which something is regarded, understood or interpreted. Bondarouk and Ruel (2009) examines that different HR professionals have different views on E-HRM's relevance concerning their HR tasks. In Sri Lanka, 40% of companies have allocated more than 5% from the overall budget for the E-HR developments that indicates that they are moving towards new era in HRM in a fast moving approach (De Alwis, 2010a). Many professionals have associated E-HRM with different ICTs, such as enterprise resource planning systems (ERPs), human resource information systems (HRISs), electronic and wireless networks, virtual structures, web based technologies, intranets, business to employee portals (B2E), and voice technologies (Lepak & snell, 1998) cited from Haa (2011).

The use of E-HRM and HR professionals perceptions regarding E-HRM affect the way in which HR professionals perceive the concerns of E-HRM on their work. The HR professionals who considered E-HRM mostly beneficial to their work found that E-HRM affects their work by providing information and increasing efficiency. Most of HR professionals do not have enough awareness about the term of E-HRM they resist for the change. De Alwis (2010a) explained that the critical success factors for the implementation of E-HRM in Sri Lankan context are employee

attitudes, organizational culture and characteristics, collaboration of HRM and IT, management commitment and individuals IT skills. Thus, the HR professionals do not have the good perception on E-HRM; they do not shift to the technological advancements and did not change their role in HR. Under this background, this study attempted to evaluate HR professional perception towards E-HRM in Sri Lankan Context.

Methodology

This research was a cross-sectional field study where the researcher's interference is minimum on the sample. The inductive approach was used for this research since researchers were focus on a specific topic and try to found a conclusion based on analysis. Interviews were needed to found the perception that the HR professionals have of E-HRM practices. Due to that, this is an exploratory research where qualitative method was used to gather data through semi-structured interviews.

Multiple techniques are applied to gather data, referred to as triangulation. Triangulation ensures that the data gives valid results. The used methods here are interviews and documentation reviews. Documentation reviews are used to get a good insight in the current situation of the adoption of E-HRM. All interviews were conducted via telephone calls and audio recorded by software. Notes regarding to important comments of respondents were taken during the interviews and added to the transcripts. Each interview was conducted in a short period and the order of questions can be changed to fit the theme of discussions. Clarifications and explanations were provided to interviewees in order to avoid the occurrence of misunderstanding. The population of this study was all HR professionals of E-HRM practicing companies in Sri Lanka. However, the researcher has selected only eight HR professionals as the sample. Therefore, participants of the study were eight randomly selected HR professionals comprising of both male and female.

Table 1: Profiles of the Interviewees

No	Position	Gender	Company	Time working in the company	Interviewed Date
01	Assistant Manager-HRIS	Male	A Company	2.5 years	09/12/2016
02	Assistant Manager-HR	Female	B Company	6.5 years	16/12/2016
03	Junior Executive-HR	Male	C Company	02 years	10/12/2016
04	Junior Executive-HR	Female	D Company	4.5 years	23/12/2016
05	Manager HR and Administration	Male	E Company	10 years	21/12/2016

06	Senior Manager-HR	Male	F Company	11 years	21/12/2016
07	Manager HR and Administration	Male	G Company	05 years	21/12/2016
08	Senior Executive-HR	Male	H Company	04 years	24/12/2016

The main technique in the data handling relied on a data analysis, although the data was analyzed using a categorization of the process by thematic analysis technique. This process build on the framework of the study, which are based on literature. Firstly, the data was arranged based on the framework of the study. The data analysis began with a quantification of listing and categorizations, in order to achieve a rough understanding of the data.

It is crucial that all researchers are aware of research ethics. Ethics are related two groups of people, those conducting research and who have basic rights that should be protected. Therefore, this study had to be conducted with fairness and justice by eliminating all potential risks. The respondents must be aware of their rights. Respect for person is a basic human right. They have the right to choose either participate or not, in the research. Respondents were allowed to act independently by giving their related information to participate in the study. Prior to that, the purpose of the study was fully explained to them in the language they were well preferred with. Confidentiality is a basic ethical principle while anonymity is one way in which confidentiality is maintained. In this study, anonymity was achieved by not putting names on the study. The interviews were conducted in a private office and over the phone under their permission and there was no third person could hear the conversation. Avoiding harm is another basic human right to be considered. To ensure this the researcher minimized the time of interviewing the participants. Maintaining privacy, confidentiality and anonymity during the interview also prevented psychological harm. In this study, participants were treated fairly by giving them information prior to participation. Selection of the sample following the guidelines of the study also ensured that all those who met the guidelines had a fair chance to be chosen to participate in the study.

Empirical Findings

Understanding of the term E-HRM

In Sri Lanka, 40% of companies have allocated more than 5% from the overall budget for the E-HR developments that indicates that they are moving towards new era in HRM in a fast moving approach (De Alwis, 2010a). Many professionals have associated E-HRM with different ICTs, such as enterprise resource planning systems (ERPs), human resource information systems (HRISs), electronic and wireless networks, virtual structures, web based technologies, intranets, business to employee portals (B2E), and voice technologies (Lepak & snell, 1998; as cited in Haa (2011).

According to Haa (2011) most HR professionals were not familiar with the term E-HRM. Interviewed results confirmed that idea which most respondents were not familiar with the term E-HRM. They are more familiar about the HRIS systems. They knew more about technology applied in HR such as attendance, leaves and payroll.

> "What do you mean by E-HRM? Is E-HRM equal to the HRIS? I think normally E-HRM means HR functions are linked with IT systems for training, performance, attendance, leaves, payroll and succession planning. We use HRIS system for all these functions. We are doing our manual things through IT systems…. " (Assistant manager-HRIS- a Company)

> "According to my opinion, through systems we can manage HR policies and practices. By using systems and automations, it helps to reduce HR department's manual workload… " (Junior Executive, HR- D Company)

> "…I think it was equal to HRIS and we computerized our data. My opinion is that is called E-HRM" (Junior Executive HR- C Company)

> "E-HRM means we handle our manual works by automated systems. For HR activities, security activities we use systems" (Senior Manager HR- F Company)

> "What do you mean by E-HRM?" (Manager HR and Administration- G Company)

> "What do you mean by E-HRM? E-HRM means ERP..." (Manager HR and Administration- E Company)

One HR professional explained different idea about E-HRM.

> "What do you mean by E-HRM?"
> "…We can't handle all functions through online. For example, we cannot do grievance handling through online. We can handle recruitment, performance management through online. However, according to my opinion HR means the human based area. It is not technical…. " (Assistant Manager, HR- B Company)

In addition to that, one of Senior Executive, HR (H Company), emphasized that in Sri Lanka HR professionals not much concern about fully E-HRM practices because many organizations were still followed traditional/ classic methods for HR activities.

> "…In Sri Lanka we can't found 100% E-HRM practicing companies. Main reason for this was we are still doing traditional/classic HRM. We are only practicing technological implementations and developments. However, not fully E-HRM practices. Because still we are in traditional processes..."

In addition, Manager HR and Administration (G Company), mentioned that their HR role was shifted to the new side. He explained that earlier administration role was modified as HRBPs

(Human Resource Business Partner). It includes the management of KPI (Key Performance Indicators) and BP.

> "…. Mainly my daily work has 04 parts. One is organization development (OD), compensation management, change management and talent management. In addition to that I am responsible for handle my daily operational works….we are working as HRBPs… earlier we played HR administrator role and then HR Manager role and now we have new role called HRBPs…"

According to above responds the term was familiar with them and it seemed that only specialists in the field might be aware of it. It is a common thing that the popularity of E-HRM seems low in Sri Lanka rather than HRIS term.

The use of E-HR tools

The use of E-HRM and HR professionals perceptions regarding E-HRM affect the way in which HR professionals perceive the concerns of E-HRM on their work. The HR professionals who considered E-HRM mostly beneficial to their work found that E-HRM affects their work by providing information and increasing efficiency. Concerning the use of E-HR tools in the companies, it was revealed that there was little attention form the management to the investment of HR technology. Past literature showed that 87% of companies have had systems for less than 05 years while only 13% have had it for 5-10 years. Different companies make use of different vendors for their HRIS and the usage (De. Alwis, 2010).

It seems that most of the HR professionals are responsible for the handling HRIS systems. They included it as one of the main duty of their role. It implies that as HR professionals the use of HR tools are very familiar with them.

> "…..I am responsible for handle HRIS system, attendance system, Taxes issues, dealing with banking sectors and handle day today operational activities…" (Assistant Manager-HRIS-A Company)
> "My duties are manage time attendance, handle and update HRIS system, maintaining company medical policy, manage company vehicle loan system and handling
> Company benefits and travelling…" (Junior executive, HR-C Company)

In recent times, more and more HR professionals pay more attention to the technological changes in HR functions. They try to add more systems for HR activities. Contributive changes were occurred to HR functions over past years. Therefore, most of respondents explains that they applied more automated systems to the HR activities. Following statements showed that what are the tools used by HR departments recently. Seventy present of the companies having a moderate knowledge and usage of E-HR (De Alwis, 2010). He states that E-HR applications provide quality information at high speed and it helps manage employee's time more effectively and efficiency.

> "We use systems for the payroll and attendance. We use semi-integrated system. Actually, we used oracle system but it was failed because they cannot capture our environment. Now

we are trying to install h-senid system. We are working with these systems since 2010."
(Assistant Manager-HRIS-A Company)

He also explains that this systematic change creates paperless environment and it drives for Green environment.

"Main objective of this is we create a paperless environment like green environment. Through this we try to increase our effectiveness and to reduce our labor cost."

Other professionals describes that they work with E-HR tools for administrative works.

"….In our company we handle attendance management and leave management through systems. Other functions are doing manually. It is very difficult to handle performance management through systems. Because it does not match with our operations…." (Assistant Manager HR- B Company)

"…Currently we are using h-senid system. We used this system from 04 years. We have employee database and we have online leave application system…" (Assistant Manager-HR-B Company)

"Currently we are using micro image system since 06 years." (Junior executive, HR-C Company)

"…Currently we are using HRIS Micro Image. However, we expect to migrate it to group system. In addition, we use micro image old version and their new version called cloud version system. For loans, we use systems. We installed it from 2009…" (Junior Executive, HR-D Company)

"…We use ERP systems for HR department and we have SAP and HCN. We do not have the total package. We are doing time and attendance and Training and developments through systems…." (Manager HR & Administration- E Company)

"…We have time and attendance system. It helps to reduce our errors (80%-90%). For HR activities, we have database. We can get family details, employee details through system. From SAP system, we monitor our HR activities like scholarships, benefits, service awards. Also we appraise our staff member's performances through system…" (Senior Manager, HR- F Company)

"…We have attendance, payroll and online leaves through system. We communicate through e-mails. To evaluate performance we have IOP (Individual operation Plan) system for staff. Also we are working with SAP." (Manager HR and Administration- G Company)

"…Our all EPF/ETF methods are linked with electronic systems…. Currently we are using HCM (Human Capital Management) system and it handled by Micro Image Company. Also mainly we are working with payroll system…" (Senior Executive, HR- Company)

Challenges to the investment in E-HRM

In addition, it was said that the organizations were not willing to invest in E-HRM. Because they emphasized that, many challenges E-HRM will face such as employee attitudes, cultural changes, technical issues and cost considerations. De Alwis (2010a) explained that the critical success factors for the implementation of E-HRM in Sri Lankan context are employee attitudes, organizational culture and characteristics, collaboration of HRM and IT, management commitment and individuals IT skills. Thus, the HR professionals do not have the good perception on E-HRM; they do not shift to the technological advancements and did not change their role in HR.

Assistant Manager HRIS-A Company, said that,

> "…Culturally we have to face issues, because we have to add technology to our culture and it is causes to completely change our culture…"

Further, he explained that employees did not like to change from manual to automated culture. Therefore as HR professionals, they have to train their employees.

> "…So we have to train employees. As HR professionals, we have to face huge problem to train them. Therefore we conduct awareness programs and explain employees about the benefits of system and trying to change their mindset step by step…"

> "Also we have to address to top management because it is important to get top management commitment. Otherwise employees don't accept the change."

> "Technologically we have to face issues like database errors, server errors and technological errors."

To confirm the same idea, other HR professionals also revealed that one of the biggest challenge is that to change the mindset of employees according to the adoption of E-HRM. Most of the employees resist using E-HR tools because they are more prefer to work in manually.

> "… First of all we have to change the mindset of employees." (Manager HR & Administration-E Company)

> "…System changes are happen and we have to change employee mind set." (HR administrative manager-G Company)

Some HR professionals mainly mentioned about their major challenges are technical issues such as server errors, database errors and system errors.

> "…There are system errors. Technological changes are happen day today. So we have to take risks arise from changes and we have to adopt to the change. It is very risky but it is very advantageous. So we have to balance risk properly…" (Junior Executive HR-D Company)

"…Technical errors are very difficult to handle. Sometimes system errors caused to prepare wrong reports…." (Assistant Manager-HR- B Company)

"…..For example some information can't get from our system also we have to face server errors." (Junior executive HR-C Company)

In addition, some respondents stated that their main challenge is to manage the implementation cost of the systems.

"…And we have to show ROI. Because it makes high cost. So we have to justify the benefits.'' (Senior Manager-HR- F Company)

"…..Also we have to bear implementation cost." (Junior Executive, HR-C Company)

Comparing to other HR professionals the Senior HR executive (H Company), states extremely a different idea.

"…We have 7900 employees. Therefore, the data capacity is very high. So its causes to slower our saver. In addition, we have day and night shifts. So it is very complicate to record that attendance correctly…"

The perception of E-HRM seems HR professionals has a central role in the maintenance and administration of the system. According to the above mentioned results researcher can summarized that all of the HR professionals having a strong managerial role in the system maintenance and emphasized that strong HR support needs to be available in order to be able to conduct this works. Many of the HR professionals felt that maintain the system is HR's task. Their reasoning concerned with efficiency and effectiveness.

Conclusion and Recommendations

Perceptions on E-HRM and the perceived benefits and disadvantages of E-HRM were analyzed. Most of the feedbacks concerned the experienced weaknesses or challenges of the IT tools. Several mainly negative unintended outcomes can also be identified. Among the positive intended outcomes real time information, the transparent access on data, standard processes and efficiency and the ease of use of the tool were mentioned. According to them, the E-HRM tools were seen as an information provider to contribute to efficiency and decision-making, and it saves time.

Conclusion

Considering the findings, it seems that the use of E-HRM in practice is very limited. It is revealed that HR functions in the organizations are not ready with the change as long as HR professionals are still not have the good awareness of advanced technology. In response to the general objective of this research, it was revealed through interviews that though HR may perform many different

roles, the currently major role, which HR professionals spent the most time as a the administrative expert.

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