Effectiveness of E-HRM Practices towards Operational Performance: A Case study of Capgemini Technological Services Limited

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Abstract

Electronic Human Resource Management (E-HRM) is one of the latest innovations in the business world which is becoming a trend and information technology is changing the way HR departments handle record keeping and information sharing using computerized.Therfore it is very needed focuses the concept of E-HRM practices. This study mainly aims to examine the socio-economic background of the employees and to measure the effectiveness of E-HRM practices associated to operational performance and also assess the major challenges in implementing E-HRM practices in the organizations.Further this study results there is a significant relationship between data entry errors, threat to HR Itself, aligning the e-HRM system with the business constraint, training the users a crucial issue, back-ups and security concerns and lack of IT infrastructure, these variables are less than p value therefore null hypothesis should be rejected. Lastly this study recommends the most important of which is the need to provide financial support to IT centers for their importance in the process of change to electronic management and need to develop e-HRM in universities, because they have a key role in the success of the process of transition to electronic HRM in the organization.

Keywords: E-Compensation, E-HRM, Regression Analysis, Operational performance.

INTRODUCTION

Human resource practices have an important role in developing knowledge and skill of the employees. It enables an organization to have competitive advantage by transforming ideas into practices. Human resource management is primarily concerned with the management of people within the organization, focusing on policies and on systems. Basically HRM deals with planning, acquiring the right people, retaining/developing the people, and managing people separation/exit. Therefore, the major challenge for any organization is to manage its human resources in such a manner that it can justify their need for the right jobs. The four dimensions that contribute for innovation are staffing, structure, strategy and system support that enables in effective human resource management. Emergence and success of E-commerce has led to the use of electronic human resource management.

E-HRM is considered to be a best way of implementing HR policies and strategies in an organization with the full use of web-based channels. E-HRM has gained importance as it uses web technology compared to traditional HR practices. E-HRM is the new field of technology that is widely spreading in organizations around the world. The main intention of E-HRM is to transform the HR functions into a paperless, more flexible and resource efficient transaction. With the current status of IT around the world, HRM has become more effective through the use of E-HRM technologies, it has the potential to entirely change the traditional way HRM functions are performed. An example to understand this is the function of recruitment, where job opening can be posted online, and the candidates can also apply for the same online. With the issue of compensations and benefits, E-HRM will make it easy for employees to review salary and bonus information and also to seek information about bonus plans. The traditional HRM was not very effective from the view of the employees and the implementation of E-HRM will be a win-win for both the employees and the employers. ***Therefore this study highlights the effectiveness of E-HRM practiced by Capgemini Technological Services Ltd.***

Review of Literature:

Lawler (2012) study focused on effective human resource management a global analysis He notes that in this paper the relationship between electronic human resource management and employee motivation, the fact that E-HRM encourages transparency and allows employees to review evaluation of their performance. Lastly lawler opinioned that employees in better position to be driven up to work hard to take this encourages rational and transparent way reward systems and performance management in the organization.

Rahman (2014), found that it is evident that there is a link between application of online technology and the agility of organization which is the ability of organization to adapt to the external business environment changes.Rahman highlights the important element as adaptation to change has played a key role for organization profitability and competence and application of e-HRM which helps organization to monitor the changes from external business environment especially in labor markets and hiring the qualified staff that can help in adapting with changes in the competitive markets.

Nirmala (2015) study on innovative HR practice Indian context. In this study survey conducted top ten companies employees. She mainly find out in this study convergence of practices of different companies in different HR areas, majority of the study speaks out these kind of HR practices adoption that will more benefited to the company. Lastly she comes to the conclusion of the study HR practices it will more benefited as well as it will helps to better understanding the identifying and analyzing external opportunities and threats in organization

Gani (2017), focused goals of managers and employees of the companies. e- HRM is the process of transmission of digitalized Human Resource information. e- HRM is a technique of executing Human Resource (HR) plans, policies, and practices in an organization. Lastly research paper elaborates on e-HRM in detail on the following aspects: Introduction of e-HRM, Scope of e-HRM, functions of e-HRM, objectives of e- HRM, outcomes of e- HRM. This paper is an attempt to study the e-HRM and its various aspects

Ahmad (2018) conducted a study on technology implementation towards innovation in Human Resources Management. He opinioned that technology has had positive effect on internal operations for organizations, but it also changed the way human resource management work and benefits in the form of HRM professionals can develop good human resources plan ,faster

decision process, clearly define jobs, evaluate performance. Therefore it helps to strengthen communication with both the external community and employees of the organization in India.

Santos (2019) attempt study on IT effects on HRM to obtain quality human resources (HR) is through the recruitment process in organization. He revealed in this study well-programmed recruitment was not able to provide significant results either directly or through organizational culture, but recruitment could have a significant effect on job performance through mediation selection and recruitment quality could improve employee performance in organizations of Indonesia.

Goswami (2020) conducted a study on infusion of E-HRM in organization. He includes in this study highlights the information technology is very much needed in wide range of routine tasks of HR professionals. He mainly aim of this study is conversion of traditional HR practices to modern HR practices. Lastly this study results adoption of IT is little difficult because HR managers operating there has to occupy themselves with diversified problems to achieve the organization goals.

Objectives of the Study:

The following are the major objectives of the study:
1. To examine the socio-economic background of the employees;
2. To measure the effectiveness of E-HRM practices associated to operational performance;
3. To assess the major challenges in implementing E-HRM practices in the organizations; and
4. To offer findings and suggestions in the light of the study.

Research Methodology:

The data required for the present study has been collected from both primary and secondary sources of data collection. The primary data was collected through issuing of questionnaire from 100 employees of Capgemini Technological Services Pvt. Ltd. situated in Bangalore City. The sampling technique has been used simple random sampling method and administrate the questioner using Likert five scale rating method has been used. The secondary data was collected from research publications in books, journals and periodicals, dailies and study reports and articles available on the chosen topic. For analysis of data used SPSS 21.0 Version, descriptive statistics, chi-square test, regression analysis and one sample T-test etc.

Hypotheses for the Study:

The study is based on the following hypotheses.

H1: There is no significant difference between socio-economic background of the respondents.

H2: There is a significant difference between effectiveness of E-HRM practices associated to operational performance.

H3: There is a significant difference between challenges in implementing E-HRM practices in the organizations.

Results and Discussion

1. Socio-economic Background of the Respondents:

Table No. 1 represents the demographic profile of the employees of Capgemini Technological Services. The overall respondents were numbering 100 respondents out of those 75 respondents were male and 25 respondents were female respectively. In the context of age pattern, majority of the respondents numbering,45 and 32 respondents are belongs to age group of less than 30 years and between 30 to 40, this shows young age group of employees are more working in the company. Further educational background of the respondents majority numbering, 30 and 27 respondents were professionals and graduate respectively. In the case of job title, numbering 45 and 35 employees was HR manager and HR assistant respectively. Lastly in the case of work experience, numbering, 45 and 30 respondents were belongs to the category of less than 5 years and between 5-10 years respectively

Table No.2
Socio-economic Background of the Respondents

Particulars	Frequency
1.Gender: a) Male b) Female	75 25
2. Age Pattern: a) Less than 30 years b) Between 30-40 years c) Above 40 years	32 45 23
3.Educational Background: a) Post Graduate b) Professionals	20 27

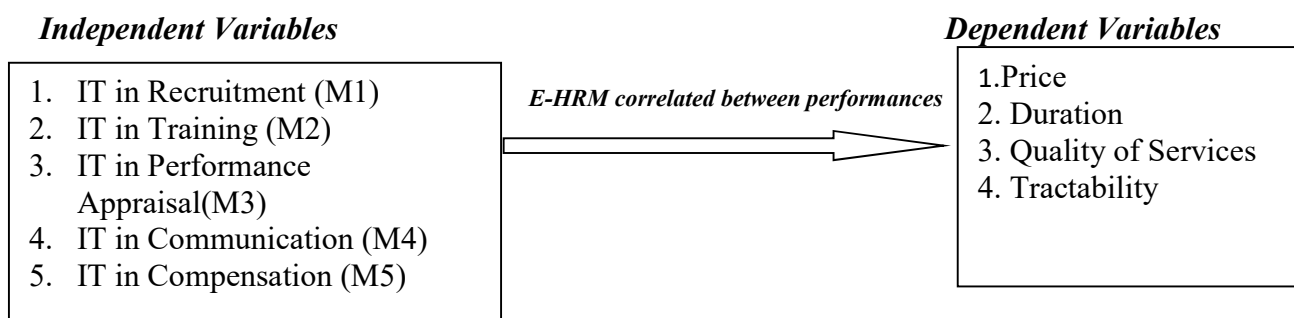|	
c) Graduate	30
d) Diploma	23
4.Job Title:	
a) HR Manger	45
b) Team Leaders	25
c) HR Assistants	30
5.Work Experience:	
a) Less than 5 years	30
b) Between 5-10 years	45
c) Above 10 years	25

Source: Field Survey.

To calculate, chi –square test for data of age pattern, gender and educational background, the P value (Sig 2-tailed) which is less than the Alpha value of 0.05, it was found to be significant. Therefore the results indicate that the stated null hypothesis to be rejected and alternative hypothesis is accepted. Further the data of job title and work experience of the respondents the P value (Sig 2-tailed) which is more than the Alpha value of 0.05, it was found to be insignificant. Therefore the results indicate that the stated null hypothesis to be accepted and alternative hypothesis is rejected.

Table No.1(a)
Chi-Square Results

Variables	Chi-square	P-value	Hypothesis
Age Pattern	2.012	0.001	*Ho=Rejected*
Gender	3.120	0.000	*Ho=Rejected*
Educational Background	1.254	0.000	*Ho=Rejected*
Job Title	2.114	0.056	*Ho=Accepted*
Work Experience	2.654	0.071	*Ho=Accepted*

2. **Effectiveness of E-HRM practices associated to operational performance:**

The following below diagram shows that various E-HRM practices (independent variables) are correlated with the operational performance (dependent variables) in the organization

Independent Variables   *Dependent Variables*

1. IT in Recruitment (M1)
2. IT in Training (M2)
3. IT in Performance Appraisal(M3)
4. IT in Communication (M4)
5. IT in Compensation (M5)

E-HRM correlated between performances →

1.Price
2. Duration
3. Quality of Services
4. Tractability

From the above model summary depicts that R-value shows the predictor explains 94.7% and 92.1% of the variation in IT in Performance Appraisal to operational performance *(Model-III)* and IT in recruitment to operational performance *(Model-I).* It shows the e-HRM various factors are depending to the operational performance of the company. The regression model summary results, employees are opinioned that IT in recruitment and IT in performance appraisal variables positively affects to the time, cost, quality of services and flexibility in working condition these are highly impact to the organization development.

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Table No.3 (a)
Regression Analysis: Model Summary

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Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.947	0.520	0.511	4.0368
II	.921	0.782	0.677	2.79.68
III	.778	0.336	0.822	3.1971
IV	.736	0.854	0.142	2.3317
V	.531	0.314	0.115	3.6972

a.   **Predictors: (Constant)**
b.   **Source: Field Survey. Note: Significant level at 5%.**

From the above Table No. 3 (b), it shows the variation in effectiveness of E-HRM practices towards operational performance of the organization. Expect other models, Regression model-I and model-III results, F-value of 1.415 and 2.423, which is lesser than F-critical values and we looked in p value is 0.516 and 0.715 higher than 0.05 not indicating a statistical significance. Hence, the null hypothesis is accepted. It can be said that there exists no significant difference in the E-HRM practices towards affects cost, time, quality of services and flexibility in working environment in the organization. Therefore, it can be concluded that the regression model is good and fit for proving the hypotheses of the study.

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Table No. 3(b)
Effectiveness of EE-HRM for ANNOVA Test

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	Model	Sum of Squares	Mean Square	F	Sig.	Results
I	Regression	3.6994	1.849	1.415	*.516*	*Accepted*
	Residual	9.8032	1.306			
	Total	**12.5026**				
II	Regression	6.4093	5.4481	2.850	*.000*	*Rejected*
	Residual	3.2459	1.9111			
	Total	**9.6552**				
III	Regression	7.6526	3.888	2.423	*.715*	*Accepted*
	Residual	4.3221	1.6671			

		Total	11.9747				
IV	Regression	3.2024		7.156	1.861	.004	Rejected
	Residual	7.9255		3.8423			
	Total	10.1279					
V	Regression	2.8616		1.9254	5.169	.000	Rejected
	Residual	8.6881		3.7745			
	Total	10.5497					

a.   Predictors: (Constant)
b.   Source: Field Survey. Note: Significant level at 5%.

From the below regression co-efficient table 3 (c) results that there found to be a significant positive effect to E-HRM to operation performance of the organization. Further the results, r= 3.159, r=6.006, r= 4.133,values indicates IT in Recruitment, IT in Performance Appraisal and IT in Compensation representing positive affects cost, time, quality of services and flexibility in working environment in the organization and r= -1.593, r= --0.524, values shows that IT in Training and IT in communication negative effects cost, time, quality of services and flexibility in working environment in the organization respectively.

Table No.3(c)
Regression Analysis of Coefficients

Model	Variables	Un standardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
I	(Constant)	4.513	102.53	-	1.769	0.000
	IT in Recruitment	3.519	98.11	0.288	1.281	0.000
II	(Constant)	0.902	141.27	-	3.589	0.000
	IT in Training	-1.593	72.89	-0.325	2.044	0.005
III	(Constant)	0.492	63.85	-	2.546	0.010
	IT in Performance Appraisal	6.006	88.76	-0.11	1.612	0.055
IV	(Constant)	4.757	77.39	-	2.596	0.111
	IT in Communication	-0.524	69.53	0.715	2.677	0.003
V	(Constant)	9.148	73.18	-	1.769	0.120
	IT in Compensation	4.133	64.88	-0.315	1.457	0.753

a.   Predictors: (Constant)
b.   Source: Field Survey. Note: Significant level at 5%.

3. Major Challenges in implementing E-HRM in the Organizations:

Table No.4 indicates that major challenges in implementing E-HRM in the organizations. According to One sample T-Test, the highest mean was recorded 4.83 and 4.55, this assigned value indicates majority of the respondents they strongly agree with back-ups and security

concerns and specific cost implications these are major challegeous faced by the employees while implementing E-HRM practices in the organization respectively**.**

Table No.4
Challenges in implementing E-HRM

	Independent Variables	Mean	SD
X_1	Specific Cost Implications	4.55	1.465
X_2	False Data Entry Errors	3.98	1.049
X_3	Improper use due to rigid mindsets	3.97	1.639
X_4	Hazard to HR Itself	4.50	0.504
X_5	Aligning the e-HRM system with the business constraint	2.75	1.403
X_6	Safety and information sharing	3.83	1.508
X_7	Training the users a crucial issue	3.09	1.353
X_8	Back-ups and Security Concerns	4.83	0.775
X_9	Lack of IT infrastructure	4.31	1.152

Source: Field Survey.

From the standpoint of statistical inferences, there is no significant relationship between specific cost implications, improper use due to rigid mindsets and safety of the information generated, these variables are more than p value therefore null hypothesis should be accepted. Further there is a significant relationship between false data entry errors, hazards to HR Itself, aligning the e-HRM system with the business constraint, training the users a crucial issue, back-ups and security concerns and lack of IT infrastructure, these variables are less than p value therefore null hypothesis should be rejected.

Table No.4 (a)
Results of One Sample T-Test

Independent Variables	T-Test	P-value	Results
X_1	5.41	0.158	*Ho = Accepted*
X_2	2.05	0.000	*Ho = Rejected*
X_3	5.80	0.217	*Ho = Accepted*
X_4	3.38	0.012	*Ho = Rejected*
X_5	6.70	0.000	*Ho = Rejected*
X_6	4.34	0.370	*Ho = Accepted*
X_7	2.10	0.001	*Ho = Rejected*
X_8	3.54	0.000	*Ho = Rejected*
X_9	2.11	0.000	*Ho = Rejected*

Note: Significant level at 5%.

Findings of the Study:

❖ The overall respondents were numbering 100 respondents out of those 75 respondents were male and 25 respondents were female respectively.

❖ The age pattern, majority of the respondents numbering,45 and 32 respondents are belongs to age group of less than 30 years and between 30 to 40 respectively.

❖ The job title, numbering 45 and 35 employees was HR manager and HR assistant respectively.

❖ In the case of work experience, numbering, 45 and 30 respondents were belongs to the category of less than 5 years and between 5-10 years respectively.

❖ The R-value shows the predictor explains 94.7% and 92.1% of the variation in Model-III and Model-I to operational performance.

❖ The highest mean was recorded 4.83 this assigned value indicates back-ups and security concerns these are major challenges faced by the employees.

Suggestions for the Study:

❖ Organizations should invest in E-HRM system, because of its importance to increase organizational performance.

❖ Organizations should adapt the rapid change in business environment by using E-HRM application system to enhance their performance and to achieve the competitive advantage.

❖ Organizations should use E-HRM application to improve organizational performance through providing all needs and wants of customer services to reach customer satisfaction.

❖ E-HRM is the root of organizations which identifies all tasks and procedures in the organization; therefore, organizations must develop and enhance the system and use E-HRM system to increase their performance.

❖ E-HRM Practices would emphasize empowerment, team-working and learning. So, creating a flexible organization, lower levels of formalization, and allowing autonomy would go a long way in making of a paperless and burden-less organization.

Conclusion

The E-HRM installation and adaptation process lead to the growth and efficiency of the organizations in the long run. The technology based HR functions provides real time metrics to the managers, which help them to track and spot trends effectives and thus leads to an effective management of the workforce.Lastly it can be conclude that there exists no significant difference in the E-HRM practices towards affects cost, time, quality of services and flexibility in working environment in the organization it can be results that the regression model is good and fit for proving the hypotheses of the study.The successful and efficacious implementation is only possible when the HR professionals learn to be proficient with the traditional HR skills and develop the ability to apply their knowledge verse the technology Therefore, it can be said that instead of facing several challenges related to technology and HRM are inextricable concepts need to the adopted in selected IT Company.

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