



## A STUDY ON E-HRM PERSPECTIVES AND CHALLENGES

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### Abstract

The history of e-HRM research extends back about 4 decades. In that time, researchers have provided a rich foundation for a better understanding of issues such as e-HRM implementation, e-HRM usage, and e-HRM outcomes. The past decade in particular saw an impressive growth of publications, but more work is still needed because the field of the intersection of HRM and information technology is dynamic: HRM strategies, policies, practices and instruments as well as information technologies progress.

**Keywords:** HRM E-HRM Research Challenges Information Technologies Literature Review Social Media.

### Introduction

The history of e-HRM research extends back about 4 decades, but it has grown explosively since the new millennium. It has helped the field of e-HRM to mature and provided insights and greatly increased our understanding of the intersection between information technology and human resource management. But the knowledge provided is still limited and skewed, as certain angles, perspectives and topics have received less attention. Another aspect is the research methodology used in e-HRM research; this is still limited, and rigour versus relevance is an issue as well. First, briefly define e-HRM by reflecting on our earlier definition (Bondarouk and Ruël 2009) in view of recent developments in HRM as well as IT. Second, identify the challenges for e-HRM research that lie ahead, again reflecting on the challenges we identified earlier, but also analysing recently published reviews of the e-HRM literature. Third, describe the challenges and provide ways to address these challenges. Finally, project the challenges into the future and describe the current state of the e-HRM debate. e-HRM is an abbreviation standing for electronic human resource management. It originates from a decade that put an 'e' in front of every business-related topic, but especially in front of the word business itself. It was a decade (2000–2010) of the first Internet boom or, as it is sometimes called, the age of web 1.0. Therefore, business became e-business, marketing became e-marketing, supply chain management became e-supply chain management, and human resource management became e-HRM.

### Literature Review

What can be said is that the definition introduces e-HRM as an 'umbrella term' and that it is not biased towards either HRM or IT. It has a positive slant, as it stresses creating value. Research on e-HRM throughout the years has been quite modest, if not quite sceptical about the value created by e-HRM (Parry 2011). However, claiming that e-HRM should not aim at creating value would sound strange. The definition does not explain what kind of value or what forms and shapes it may take. The problem with this issue is that it leaves much room for interpretation and may 'cover' integration mechanisms and content that cannot really be called e-HRM. Therefore, the suggestion is to specify value creation and extend it by aiming at making HRM processes more efficient, higher quality, and/ or more invested in creating long-term opportunities.

Second, the definition formulated in 2009 still includes human resource information systems (HRIS) that only target the HR department and are not meant to be implemented and used outside of it. An earlier publication claimed that e-HRM was different from HRIS, especially as e-HRM's focus lies outside the HR department. The question now is, how problematic is this? We recall that one of the core features of the e-movement in its early days was the opening up of data and information resources for the public at large. In the case of e-HRM, it opened up data and information via IT-based tools and channels for the subjects of the data and information. It needed to draw users of e-HRM into the process of co-creating it. Therefore, integration mechanisms and content shared between HRM and IT that is only meant to be used by HR departments do not meet that aim. The definition formulated by Bondarouk and Ruël (2009) needs to be updated.

e-HRM as a field of scholarly inquiry focuses on all integration mechanisms and content shared between IT and HRM, aiming at making HRM processes more efficient, higher quality, and/or more invested in creating long-term opportunities within and across organizations for targeted employees and management outside of the HR department. The field



aims to improve the understanding of this phenomenon, to contribute to its progress in terms of its design, its implementation, its interaction with the organizational context, and its effects.

### **E-HRM Challenges**

The first challenge, clarifying the strategic ambiguity of e-HRM, refers to the widespread idea that e-HRM enables HR professionals to improve their performance and 'upgrade' themselves to the status of business partners. In this role, HR professionals are assumed to act as internal consultants to senior and line managers (Hussain et al. 2007). They are also assumed to create value and improve their status within their own organization by using e-HRM (Lawler and Mohrman 2003) and to support strategic decision-making based on digitized and automated per-sonnel databases (Broderick and Boudreau 1992). In contrast to these assumed benefits for HR professionals, empirical evidence reveals a more complicated picture of what really happens. e-HRM is mostly used for routine administrative HR tasks (Ball 2001) and not for strategic HR tasks in more than 50 % of the cases (Hussain et al. 2007); it is used more for administrative goals than for analytical or decision-making support goals (Haines and Laffleur 2008). Furthermore, it brings a certain value to organizations in terms of increased efficiency, service delivery, and standardization of goals, with some evidence of transformational impact (Parry 2011; Parry and Tyson 2011) and that appropriate usage of e-HRM and HR value creation are moderately linked (Ruël and Van der Kaap 2012). However, in the latter case facilitating conditions such as support for users, high data quality, HR professionals' technology competences, and HR policy-practices alignment seem to have a stronger direct linkage with HR value creation than usage as such (Ruël and Van der Kaap 2012). Overall, it seems that turning e-HRM into a strategic competitive advantage is not as easy and straightforward as assumed. The challenge for e-HRM research is to solve this ambiguity regarding the strategic 'hopes' and reality of e-HRM in organizations. One way forward regarding this issue is to build more constructively on existing research. e-HRM scholars should adopt a coherent framework or theoretical perspective from which scholars could continue step-by-step to get this issue 'solved'. To date, this has not been the case, and e-HRM studies seem to connect with existing studies only in the discussion section of articles and papers. New studies should start from existing frameworks, theoretical perspectives and outcomes, with the aim to reassess or improve them. The second challenge, conceptualizing relationships between e-HRM and human capital development, refers to the growing importance of economies outside of 'the West' and the need for multinational corporations (MNCs) to attract and retain talent. e-HRM can be a facilitator in global talent management, especially with social media making it easy to reach beyond borders. Bondarouk and Ruël (2013) found that the most attractive employers do not necessarily use social media such as LinkedIn and Facebook in an optimal way. The results of the quasi-experimental research design revealed that the corporate websites are found to be more attractive than the way the same companies present themselves via social media. Another study on global talent management (GTM) and the role of social networks (Ruël et al. 2013) showed that graduate students do find social networks important for multinationals' efforts to recruit talent, but HR managers are sceptical about the use of social networks for GTM and do not use it extensively for this purpose. Ruta (2009) presents a case study that showed that if HR portals are aligned with the HR strategy, this does leverage intellectual capital creation and development. Clearly, e-HRM research is facing a challenge to understand the relationship between e-HRM and human capital development and talent management, especially in view of the new 'avenues' of e-HRM such as social media.

### **Integrative Perspective of E-HRM on It Organization**

Information technology (IT) and organizations keep on integrating in today's world, and there are no signs that this process is coming to an end. The impacts of this ongoing integration are contradictory (Ruël et al. 2004). Results displayed by this integration are delivering as well as relayering organizational structures, deskilling as well as up skilling personnel, introducing more autocratic management styles as well as more participative management styles, and breaking down organizational boundaries as well as erecting organizational boundaries (Ruël et al. 2011). This observation invites a reframing of the relationship between IT and organization, away from a relatively simple cause and effect line of reasoning, where IT is usually considered the cause of effects on the organization. A paper published in 2011 (Ruël et al. 2011) proposed to 'solve' the issue of one-way determinism by calling for a perspective that sees IT and organization as an 'intricate net of interrelationships where there are no exclusive one-to-relationships. The net is made up of a number of interrelated factors or phenomena that sometimes act as the cause and other times act as the consequence of the integration of IT artefacts into organizations' (Ruël et al. 2011, p. 23). The phenomena referred to are: automation of tasks and processes, textualization of information, concerns over IT costs, new forms of managerial control, compression of competitive time, hyper competition, outsourcing, convergence of info-com, organizational knowledge as competitive pressure, new forms of IT alignment, organizational change orientation, and integrating the information systems function.



### **E-HRM in A Cross-National Perspective**

With the growing importance of the multinational corporation during the 1990s and 2000s and the realisation that this type of organization was among the early adopters of e-HRM, the need for a cross-border and cross-cultural perspective and understanding of e-HRM has grown. But as Ruël and Bondarouk (2012) observed, the amount of e-HRM research providing such a perspective and understanding is very low. Until 2010 (results of our counts in the 2011 and 2012 papers), only seven studies on e-HRM with cross-continental data had been published, five studies on e-HRM with cross-national data but within one continent, two studies on e-HRM with cross-national data but within one multinational company, and 15 studies on e-HRM focusing on a specific national context, but in a non-comparative manner. Another challenge surfacing from the chronological review of the e-HRM literature is the lack of focus on how success factors and barriers support or constrain the processes and activities that were supposed to benefit from an e-HRM application. To solve this issue, more process-oriented research is needed, studies that focus on more than the extent to which certain factors play a role in e-HRM implementation success and certain consequences occur because of e-HRM usage. Future e-HRM research needs to ‘dig’ into the processes and investigate how activities, decisions, and behaviours are related to each other and impact each other. This may also help to solve the relevance gap of e-HRM research that is sometimes mentioned (e.g. Strohmeier 2007). More in-depth studies may result in insights that are more practically relevant.

### **Conclusion**

It is too easy to conclude that the previous sections have clearly shown that there are many challenges. There is much more to say. First of all, e-HRM research is far from ‘dead’, it is actually more alive than ever, and it is also more in need than ever. HR without technology is hard to imagine nowadays, and the future will only be more conceptually and empirically challenging, with new HRM developments together with new technological progress. The relationship between HRM and technology will get even closer in the future.

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