E-HRM AND HOW IT WILL REDUCE THE COST IN ORGANISATION

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ABSTRACT

This paper mainly concentrates on how e-HRM will be useful in reducing the cost in the organization. e-HRM is using of information technology for both networking and supporting at least two individuals or more than two in their shared performing of HR activities and practices. E-HRM is different from HRIS (Human resource information system) and Virtual HRM. E-HRM is mediated by information technologies to help the organization to acquire, develop, and deploy the intellectual capital. It is a web-based solution that uses the latest web based application technology it is online and real-time Human Resource Management Solution is possible through e-HRM. The e-HRM technology provides a portal which enables managers, employees and HR professionals to view extract or alter information which is necessary for managing the HR of the organization and for making decisions quickly. The World Wide Web has helped modify many HR processes including human resource planning, recruitment, selection, performance management, work flow, and compensation. These new systems have enabled HR professionals to provide better service to all of their stakeholders (e.g., applicants, employees, managers), and it can reduce the administrative burden in the field. And it is very cost effective.

KEY WORDS: e-HRM, cost effective, making decisions quickly

INTRODUCTION:

E-HRM is a good way of implementing HR strategies, policies, and practices in organizations through a continuous and directed support by full use of web-technology-based channels and networks. The word 'implementing' in this context has a broad meaning, such as creating something to work, putting something into practice, or achieving something. E-HRM, therefore, is a concept - a way of 'doing' HRM. The e-HRM business solution is designed for human resources professionals and executive managers who need support to manage the work force, monitor changes gather the information needed in decision-making and controlling them and to co-ordinate the employees in organization. At the same time it enables all employees to participate in the process and keep track of relevant information.
Organizations have increasingly been introducing web-based applications for HRM purposes, and these are frequently labeled as electronic Human Resource Management (e-HRM). Much is expected of e-HRM in terms of improving the quality of HRM, increasing its contribution to company performance and freeing staff from administrative loads. The empowerment of managers and employees to perform certain chosen HR functions relieves the HR department from all these tasks, allowing the most HR staff to focus less on the operational and more on the strategic elements of HR in organisation, and allowing the organisations to lower the HR department staffing levels. It is anticipated that, as E-HRM develops and becomes more important in business culture, these changes will become more prominent, but they have yet to be manifested to a significant degree. A 2007 CIPD survey states that "The initial research indicates that much-commented-on developments such as shared services, outsourcing and e-HR have had relatively little impact on costs or staff numbers" Employees' satisfaction is must for smooth working of an organisation. Without this, the peaceful running of an organisation is not possible at all.

If some changes are done in the organisation and employees are not satisfied with it then the results of those changes are not in favor of the organization. So, the employees' perception towards e-HRM is also important.

**OBJECTIVES:**

1. To Know how the e-HRM will reduce the cost of an organization
2. To know the benefits of e-HRM
3. To know the Advantages of the e-HRM

**METHODOLOGY OF THE STUDY:**

The present study is a descriptive; the data of this study were obtained from the secondary sources. The secondary data has been collected from the various references which are already existed in published form.

**ADVANTAGES:**

- It helps to improve administration & efficiency.
- It helps to improve client orientation & service.
- It helps to improve HR’s strategic orientation.
- e-HRM is a cost reduction programme.
- e-HRM reduces administrative work.
- e-HRM reduces administrative staff.
It helps HR dept. to get a clean profile of the employees.
Employees are experiencing more HRM skills with the help of e-HRM.
Employees get updated news of the org. dynamics.
Employees take part in online discussion.
Employees are self initiators of their own career mgt. direction.
Employee & time managers self manage employee mgt.
HR managers will become more efficient in their working.
Internet recruiting is a faster communication.
e-HRM saves time or it is time efficient.
Data management of all the employees in the world of an Org. effectively.
THE Employees concentrate on the work efficiently
Strategic aspects of the job as e-HRM relieve them with their routine work.
Adaptability to client increases after applying e-HRM.
There is security of data in e-HRM.
e-HRM supports multi-language.
e-HRM is a more dynamic workflow in the business process, productivity.
the solution can be accessed and used in a web browser
security of data, protected levels of access to individual modules, records documents and their component parts
parametric and customizability
access to archived records and documents
user-friendly interface
connectivity with the client's existing information system (payroll accounting, ERP, attendance registration, document systems... gradual implementation
adaptability to any client
collection of information as the basis for strategic decision-making
integral support for the management of human resources and all other basic and support processes within the company
prompt insight into reporting and analysis
a more dynamic workflow in the business process, productivity and employee satisfaction
a decisive step towards a paperless office
lower business costs

BENEFITS OF E-HRM:

- Standardization
- Ease of recruitment, selection and assessment
- Ease of administering employee records Reductions to cost, time and labour
- Access to ESS training enrollment and self development
- Cost and ESS
- Location and timeliness

TYPES OF E-HRM:

- Lepak and Snell(1998) distinguished three areas of HRM as, operational HRM, relational HRM and transformational HRM.
Operational HRM: e-HRM is concerned with administrative function like payroll, employee personal data, etc.

Relational HRM: e-HRM is concerned with supportive business process by the means of training, recruitment, performance management, and so forth.

Transformational HRM: e-HRM is concerned with strategic HR activities such as knowledge management, strategic re-orientation, etc.

**HOW THE e-HRM WILL REDUCE THE COST OF AN ORGANIZATION:**

1. Applicant Tracking

In the current economic climate there are typically many applicants for each job advertised. It is important to be able to cross-reference applicants from one competition to another, and to be able to track each applicant through the selection process. Frequently applicants passed over from one competition may be a good match for another. If this matching can be done effectively and efficiently it is possible to save significantly on recruiting costs (e.g., advertising and administration).

2. e-Employee Profile:

The E-Employee Profile web application provides a central point of access to the employee contact information and provides a comprehensive employee database solution, simplifying HR management and team building by providing an employee skills, organization chart and even pictures. E-Employee profile maintenance lies with the individual employee, the manager and the database manager. E-Employee profile comprise of the following:

Certification, Honor/Award, Membership, Education, Past Work Experience, Assignment Skills, Competency, Employee Assignment Rules, Employee Availability, Employee Exception Hours, Employee Utilization, Employee tools, Job information, Sensitive job Information, Service Details, Calendar, Calendar Administration, Employee Locator easy and to make decisions with less cost and speedy time..

3 e-Recruitment:

Organizations first started using computers as a recruiting tool by advertising jobs on a bulletin board service from which prospective applicants would be contacted by the employers. Some companies began to take e-applications. Today the internet has become a primary means for employers to search for candidates and for applicants who look for a job. As many web based job portals are there were the employers will post their vacancy position in the job search web portals to stimulate the applicants to apply for that particular job. and this websites help in review resumes of various types. This helps to screen applicants in online only which helps to reduce the cost.
4. e-Selection:

Most employers will recruit their employees from the online job search engines (website like Naukri, Monster) etc and new selection process are keeping tests online by testing their level of knowledge, behavior, attitude all those the employer will recruit it properly by conducting all the test online by using strong IT which helps to reduce the cost.

5. e-Learning:

E-Learning refers to any programmed of learning, training or education where electronic devices, applications and processes are used for knowledge creation, management and transfer. e-Learning is a term covering a wide set of applications and processes, such as web-based learning, computer-based learning, virtual class room, and digital collaboration. It includes the delivery of content via Internet, intranet/extranet (LAN/WAN), audio-and videotape, satellite broadcast, interactive TV, CD – Rom, and more. Training program provides. Which helps to save time and money.

6. Classical and Virtual Learning:

This classical learning model especially from non-reversible flow of information. AT the beginning For students it offered information, knowledge, and educational materials mostly in the representation of educational lecture notes for lessons. For the most part the feedback is weak, inconsistent, or even missing.

Virtual education environment by its communications links collects the feedback of participants, simplifies teaching and simplifies teamwork of students with pedagogue. The virtual learning system enables horizontal and vertical communication. For required information, participant can often gets much more information than in classical model of education as here the other participant also share which is not a real happening in the classical model so it is cost effective.

7. e-Training:

Most companies start to think of online learning primarily as a more efficient way to distribute training inside the organization, making it available “any time”, “anywhere” reducing direct costs (instructors, printed materials, training facilities), and indirect costs (travel time, lodging and travel expenses, workforce downtimes).

8. e-Performance Management system:

A web-based appraisal system can be defined as the system which uses the web (intranet and internet) to effectively evaluate the skills, knowledge and the performance of the employees which reduces the money.
9. e-Compensation:

All companies whether small or large must engage in compensation planning. Compensation planning is the process of ensuring that managers allocate salary increases equitably across the organization while staying within budget guidelines. As organizations have started expanding their boundaries, usage of intranet and internet has become vital. The usage of intranet and internet for compensation planning is called E-Compensation Management which reduces the money

10. Anywhere, Anytime Access:

As a web-based HR service system, HRIS offers you the flexibility of accessing the program 24/7, from anywhere with internet connection and IT. Which enables to reduce the operational cost?

11. Grievance Tracking and Analysis:

In unionized settings there is the obligation on both parties to process grievances according to steps and timing stipulated in the contract. Effective automated grievance management system information can save money, avoid unnecessary ill-will, and avoid the prospect of losing grievances or arbitrations for technical reasons.

12. Eliminate Majority of HR Paperwork:

With the growing awareness for environmental sustainability, many companies are looking for ways to “go green.” Implementing a HRIS will help reduce almost all of the paperwork associated with HR tasks we can save money and time.

13. e-Leave:

It helps to reduce the cost by defining the work force in advance and to review the past data records of the employee leave etc... In this way it will reduce the cost.

**DISADVANTAGES OF E—HRM:**

- Employees and line managers’ mindsets will not be changed.
- They generally feel that they lack the time space needed to work quietly and thoughtfully with web-based HR tools and so, if there is no need, they will not do it.
- Guaranteeing the security and confidentiality of input data is an important issue for employee in order that they should feel ‘safe’ when using web-based HR tools.
COCLUSION:

e-HRM is a web based tool to automate and support HR processes. The implementation of e-HRM is an opportunity to delegate the data entry to the employee. e-HRM facilitates the usages of HR marketplace and offers more self-service to the employees. e-HRM (Electronic Human Resource Management) is advance business solution which provides a complete on-line support in the management of all processes, activities, data and information required to manage human resources in a modern company. It is an efficient, reliable, and easy – to use tool, accessible to a broad group of different users. e-HRM is a way of implementing HR strategies, policies, and practices in organizations through a conscious and directed support of and/or with the full use of web-technology-based channels. It covers all aspects of human resource management like personnel administration, education and training, career development, corporate organization, job descriptions, hiring process, employee’s personal pages, and annual interviews with employees. Therefore e-HRM is way of doing HRM in cost effective manner.

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