

INTEGRATION OF TECHNOLOGY AND HUMAN RESOURCE STRATEGIES

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Abstract

This paper highlights the integration of technology and human resource strategies. To meet the growing demands of their profession, the Human Resource (HR) professionals need to be strategic business partners, lead change in the organization, teach HR competencies to line managers and most importantly, leverage information technology (IT) in the delivery of HR services to employees. This has resulted in the emergence of e-HRM (electronic HRM). Rapid growth of Information Technologies (IT) has had huge influence on enterprises, and it has contributed to its promotion and increasingly extensive use in enterprises. Information Technologies have to a large extent determined the processes taking place in an enterprise; what is more, IT development has brought the need to adopt a brand new approach to human resources management in an enterprise. The present research attempts to study the integration of technology and the Human Resource function of organizations and provides a framework of e-HRM / HRIS outcomes, both positive and negative.

The aim of this paper is to evaluate the use of information technologies in human resources management in enterprises. These practices will be presented in the following areas: recruitment and selection, development and training, employee assessment, motivation, talent management, personnel service. In the future, further development in this area should be expected, as well as integration of individual HRM areas, growing mobile-enabled HR processes and their transfer into the cloud. Presented IT solutions applied in HRM are highly innovative, which is of great significance due to their possible implementation in other enterprises.

Keywords Technology, HRM, Strategies, Integration, CHRIS, e-HRM, HRIS.

Introduction

In globalization conditions, technology becomes the key factor in enhancing business growth and competitiveness. To gain a competitive advantage, increase innovation, enterprises have used the latest technological solutions, which affect their productivity and effectiveness. HR technology has evolved from paper and pencil to PCs to electronic databases to being integrated with company-wide enterprise systems. Web-based technology has been an important development in enabling HR to reduce transactional activities and increase customer and strategic services. Part of the Human Resource Management System (HRMS) is electronic human resource information system (eHRM) providing organizational stakeholders with access to HR information and specific HR functions via the Internet or intranets. Technology exerts huge influence on human resource management (HRM) processes; in particular, the World Wide Web led to modification of numerous HRM processes, such as: planning, recruitment, selection, performance management, work flow, training, compensation and personnel service. Moreover, implementation of these

systems improved the quality of services provided to stakeholders (e.g. applicants, employees, managers), and reduced administrative costs.

Objectives of study

The objectives of the current study are:

1. To understand technology and HR strategies.
2. To study integrate technology and HR strategies
3. To measure the effect of relationship between technology and HR Strategies

Review of literature

HR Technology is a major growth market with increasingly sophisticated HR information systems (HRIS), HR management systems (HRMS), applicant tracking software and other IT products become available. Web-based HRIS is fast becoming a basic element of people management. Large corporations use HRIS extensively and more and more providers are addressing the potential of web-based HRMS solutions for medium and smaller businesses.

Types of e-hrm

There are three types of E-HRM. These are described respectively as Operational Human Resource Management where E-HRM is concerned with administrative function like payroll, employee personal data etc. The Relational HRM which is concerned with supportive business process by the means of training, recruitment, performance management, and so forth and Transformational Human Resource Management where E-HRM is concerned with strategic Human Resource activities such as knowledge management, strategic orientation etc.

Implementation of e-hr solutions

Implementation of e-HR solutions depends on e-HRM acceptance which is related to the degree of involvement in the design and implementation of e-HRM, the perceived usefulness of e-HRM technology, the degree of managerial compulsion to use e-HRM, and the perception of privacy or data security related to e-HRM acceptance [9]. It is also necessary to draw attention to employees'

¹ Advocate Supreme Court

ability to use computers and their Internet literacy.

Strategic benefits ascribed to E-HRM

The strategic benefits ascribed to e-HRM into seven groups:

1. generation of HR metrics to support strategic decision making,
2. automation of routine HR tasks and replacing 'filing cabinets',
3. branding of organizations and improving the organizational image,
4. freeing HR staff from administrative burdens and allowing them to undertake strategic people-management activities,
5. empowering managers through development and support of management capacity to conduct HR activities,
6. improving talent management through e-selection, self-assessment and e-performance management,
7. Transforming HR professionals from administrative paper handlers to strategic partners.

Tool for E-Selection Process

Tools which may be used in the e-selection process are the following:

1. Electronic Job Analysis (EJA)
2. Electronic job application and initial screening, Electronic tests and assessments,
3. Electronic interviews
4. Decision-making based on e-selection based on combining Predictor scores,
5. Evaluation of e-selection systems.

CHRIS

According to Kettley P & Reilly (2003), a Computerized Human Resource Information System (CHRIS) consist of "a fully integrated, organization wide network of Human Resource related data, information services, databases, tools and transactions"

Hris- Three-Step Process

To choose an HRIS, organizations engage in a three-step process. The first step is the adoption phase, whereby organizations carry out a needs analysis to determine requirements. The second step is the implementation phase, where project teams

are created, the software is tested, and privacy and security concerns are addressed. The third step is the institutionalization phase, where training and change management activities are highlighted.

Components of Hris Systems

The human resources (HR) department has always been the custodian of employee data. The type of data collected, where the data are stored, how the data are used, and the type of system used for these purposes has changed over time, but the need to collect information relating to hiring, promoting, and firing employees has not changed. Using HRIS technology can help HR automate and simplify tasks, reduce administration and record keeping, and provide management with HR-related information when required. These systems provide a repository for information/data to be stored and maintained, and they possess varying degrees of reporting capability. However, for the data to be useful, they need to be transformed into information that is meaningful to managers. This is the challenge facing HR departments today and what will ultimately determine whether HR is able to deliver strategic HR services

The main components of HRIS systems are employee administration, recruitment, time and attendance, training and development, pension administration, employment equity, performance evaluation, compensation and benefits administration, organizational management, health and safety, labour relations, and payroll interface.

Key Functions of an Hris

The HRIS can do the following:

1. create and maintain employee records
2. Ensure legal compliance
3. Enable managers to forecast and plan future HR requirements
4. Provide information to managers and HR so they can manage knowledge and manage talent (career and succession planning)
5. Provide information to enable HR plans and activities to align more effectively with the organization's strategic plan
6. Assist managers with decision making by providing relevant data so they can make more effective and informed decisions

E-Hrm Verses Hris

E-HRM is different from HRIS (Human resource information system) and Virtual

Human Resource Management. 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 Human Resource professionals to view extract or alter information which is necessary for managing the Human Resource of the organization and for making decisions quickly. The World Wide Web has helped modify many Human Resource processes including human resource planning, recruitment, selection, performance management, work flow, and compensation. E-HRM is a good way of implementing Human Resource strategies, policies, and practices in organizations through a continuous and directed support by full use of web-technology-based channels and networks.

Use of Social Media

The use of social media for recruitment purposes has become a common practice as 93% of recruiters have used or plans to use it to support the recruitment process [13]. Jobsite survey has shown that 94% of recruiters use LinkedIn, 66% use Facebook, 52% use Twitter, and 21% use Google in their recruiting efforts.

Reasons For Technology Driven Hr Process

According to Johnson and Gueutal (2011), HR is evolving into a technology-driven process due to the following reasons:

1. To streamline HR processes and reduce administrative burdens.
2. Reduce HR administration and compliance costs.
3. Compete more effectively for global talent.
4. Improve service and access to data for employees and managers.
5. Provide real-time metrics to allow decision-makers to spot trends and manage the workforce more effectively.
6. Enable HR to transform so it can play a more strategic role in the business.

Hr Benefits of Integration

1. Reduced voluntary turnover
2. Higher workforce productivity
3. Better workforce alignment to overall business strategy Improved internal talent mobility
4. Faster on-boarding (time-to-productivity)

Hr Process Integrations

1. Employee Development & Succession Planning: Enable employee development planning for future roles
2. Employee Development & Learning Management: Enable employee development plans to be executed via learning and training
3. Learning Management & Performance Management: Enable learning and training activities as a key component of goal completion
4. Reporting & Core HR: Enable a single, centralized reporting repository across all HR functions
5. Performance Management & Compensation Management: Enable merit-based pay-for-performance

Findings

Through e-HR adoption or implementation an organization can reap the following positive outcomes which can contribute to its long lasting success.

1. **Operational Efficiency:** Cost reduction is an after shoot of an operationally efficient process, which will be visible automatically if an organization lays its foundation on the best-in-class processes and practices. As an example, end-to-end automated processes are bound to result in reduced paperwork for the HR teams, which in-turn means lesser amount of time spent by HR teams on transactional activities.
2. **Employee Relationship:** With HR now serving employees as their customers the whole concept of employee/customer relationship has been redefined for good. e-HR has transformed the culture by providing the employees, the ownership and responsibility for their actions, by use of self-service applications.
3. **Strategic Orientation of HR:** The HR must first ensure that the transactional and legally mandated parts of the HR job are managed in some way and then the 'big leap' opportunity is to develop the strategy, structure and skills to evolve into an effective internal consulting organization that addresses talent, strategic and change-oriented issues.
4. **Information Responsiveness:** With increasing abilities of e-HR systems and applications to provide real-time data with high accuracy, the decision making process has also evolved. Managers at all levels are now in a much better position to take decisions in a timely manner and also see the impact of those decisions on the real time basis. With a variety of tools available for data analysis and

creation of different matrices and dashboards as per the organization requirements, HR is now in a much better position to take a pro-active approach to challenges.

Shared Services: Organizations are fast realizing that e-HR journey is not an end itself. It is a milestone they need to achieve but what it also provides them is another huge opportunity to bring in efficiency, reduced costs and shared service centers. HR Shared Service centers generally involve, removing repetitive transactional work from business units, standardizing and consolidating the way in which those services are delivered to provide value in the form of reduced overall costs and increased service efficiency to its customers and clients. The next logical step in the journey for these organizations is the move to either look at outsourcing its transactional work to a third party vendor or setup a captive center under its control which specializes in execution and delivery of results directly.

Conclusion

The HR function, with its newly developed strategic focus, is expected to demonstrate a measurable impact on business results. The expectation is that HR is transforming data into insights and the ability to provide "quality" data that will transcend the need for information and focus key decision makers on relevant information that is meaningful to the business. In current competitive scenario, HR professionals must quickly respond to changes in business by making workforce related decisions based on real-time information, decisions that align corporate strategies with team and individual goals, supporting employees in all phases of the employee lifecycle. The HR professionals are looking to technology and the information it provides, to help them drive decisions that will lead to success of the organization as a whole. The combination of the need to work more efficiently, on one hand, and the possibilities of technology on the other, has resulted in the swift development of e-HRM systems. Today's HR professionals must be technically savvy and be able to speak the language of business. They must understand the business environment and the major drivers relating to workforce productivity as determined by management. Such techniques as benchmarking and the use of balanced scorecards will be increasingly important for HR. These tools will provide HR with feedback as to whether they are truly listening to the organization and providing customer focused services. Finally, how HR utilizes technology to evaluate its own effectiveness and how HR decides to

leverage emerging technologies to drive productivity and the management of human capital will make the difference between a mediocre HR department and one that is truly a business partner. These beliefs are a result of ideas about the endless possibilities of technology in facilitating HR practices and about the infinite capacity of HR to adopt these technologies. Therefore, the human resource function in the digital age, effectiveness of eHRM systems, arising opportunities and challenges are all issues of major concern. The present study has presented a case highlighting positive outcomes as well as constraints for organizations going in for implementation of e-HRM.⁸ Current technology trends that will impact HR are outsourcing, advances in technology, and a continued focus on measuring the value that HR brings to the organization.

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