CHAPTER-1
INTRODUCTION

1.1 Introduction

All organizations are made up of people and function through people. Without people organizations cannot exist. The resources of men, material and machinery are collected, coordinated and utilized through people. These resources by themselves cannot fulfill the objectives of an organization. They need to be united into a team. It is through the combined efforts of people that material and monetary resources are effectively utilized for the attainment of common objectives. Without united efforts, no organization can achieve its goals. Of all the resources manpower is the only resource which does not depreciate, with the passage of time.¹

“The Management of Man” is a very important and challenging job; important because it is a job, not of managing ‘men’, but of administering a social system. The management of men is a challenging task because of the dynamic nature of the people. People are responsive; they feel, think and act; therefore, they cannot be operated like a machine or shifted and altered like a template in a room layout. They, therefore, need a tactful handling by management personnel. If manpower is properly utilized, it may prove a dynamic motive force for running an enterprise at its optimum results and also work as an elixir for maximum individual and group satisfaction in relation to the work performed. Manpower management is a most crucial job because “managing people is the heart and essence of being a manager.” It is concerned with any activity relating to human elements or relations in organization.²
Among the various factors of production, which are used in an organization, human resource is the most important. This is because of the efficient use of physical resources (i.e. land, machinery, materials) ultimately depends on how the human factor is put to good use on various operations. The most efficient machinery will not produce at an optimum level unless the people who operate the machinery know how to make it to perform at its best and most importantly, are motivated to make their equipment to produce effectively. If the skill and the will are properly applied wonderful things can happen.3

1.2 Evolution of Human Resource

The field of Personnel / Human Resource management as it currently exists represents a crystallization of a variety of historical and contemporary factors.4

1. The industrial revolution: During this period machines were brought in; technology made rapid progress, jobs were more fragmented where the worker did only a small portion of the total job; and specialization increased speed and efficiency but left workers with dull, boring and monotonous jobs. Workers were treated like ‘glorified machine tools’. Employers were keen to meet production targets rather than satisfy workers’ demands.

2. Scientific Management: To improve efficiency and speed F W Taylor advocated scientific management. Scientific management is nothing but a systematic analysis and breakdown of work into its smallest mechanical elements and rearranging them into their
most efficient combination. In addition to the scientific study of the task itself, Taylor argued that individuals selected to perform the tasks should be as perfectly matched, physically and mentally, to the requirements of the task as possible and that overqualified individuals should be excluded. Employees should also be trained carefully by supervisors to ensure that they performed the task exactly as specified by prior scientific analysis.

3. Trade unionism: Workers joined hands to protect against the exploitative tendencies of employers and the prohibitive, unfair labour practices through unions. Unions are tried to improve the lot of workers through collective bargaining, resolving the grievances of workers relating to working conditions, pay and benefits, disciplinary actions, etc.

4. Human relations movement: The human relations movement led to the wide scale implementation of behavioural science techniques in industry for the first time which included supervisory training programmes, emphasizing support and concern for workers, programmes to strengthen the bonds between labour and management and counseling programmes whereby employees were encouraged to discuss both work and personal problems with trained counselors. The movement was also influenced by the growing strength of unions during the late 1930s and 1940s.

5. Recognising the fact that workers are unique in their own way-having individual needs. It was recognized that each employees is a unique and highly complex individual with different wants, needs and values. What motivates one employee may not motivate
another and being happy or feeling good may have little or no impact on the productivity of certain employees. Slowly but steadily, the trend towards treating employees as resources or assets emerged.

1.2.1 Evolution of the concept of HRM

The early part of the century saw a concern for improved efficiency through careful design of work. During the middle part of the century emphasis shifted to the availability of managerial personnel and employee productivity. Recent decades have focused on the demand for technical personnel, responses to new legislation and governmental regulations, increased concern for the quality of working life, total quality management and a renewed emphasis on productivity.\(^5\)

Early phase: Though it is said that Personnel / Human resource management a discipline of recent growth, it has had its origin dating back to 1800 B.C. For example the minimum wage rate and incentive wage plans were included in the Babylonian Code of Hammurabi around 1800 B.C. The Chinese, as early as 1650 B.C. had originated the principle of division of labour and they understood labour turnover even in 400 B.C. The span of management and related concepts of organization were well understood by Moses around 1200 B.C. and the Chaldeans had incentive wage plans around 400 B.C. Kautilya, in India (in his book Arthasatra) made references to various concepts like job analysis, selection procedures, executive development, incentive system and performance appraisal.
Welfare phase: During the 1960s the scope of personnel functions has expanded a bit, covering labour welfare, participative management, industrial harmony etc. “In this period, the human relations movement of West had also had its impact on Indian organizations”. The legalistic preoccupations slowly gave way to harmonious industrial relations and good HR practices.

Developmental phase: In 1960s and 70s the HR professional focused more on developmental aspects of human resources. The emphasis was on striking a harmonious balance between employee demands and organizational requirements. HRD (Human Resource Development) has come to occupy a centre stage and a focal point of discussion in seminars, conferences and academic meets.  

During the 1990s, organizational restructuring and cost cutting efforts have started in a big way-thanks to the pressures of liberalization, privatization and globalization (LPG era) forcing companies to focus attention on employee capabilities product/service quality, speedy response, customer satisfaction etc. Changing demographics and increasing shortages of workers with the requisite knowledge, skills and ability have grown in importance. The issue of workforce diversity has assumed greater importance in view of the cultural, religious, social, regional backgrounds of workers, especially in global sized companies.
1.3 Concepts of Human Resources

In a general way, human resources are the people and their characteristics at work either at the national level or organizational level. The evolution of human resources has evolved out of different terms such as Personnel Management, Personnel Administration, Staff Management, Manpower Management, Labour Relations, Industrial Relations and lately some experts have coined new term Knowledge Management. In each label, the scope and emphasis of functions relevant to managing human resources have changed to some degree. However, in the present context, two terms Personnel Management and Human Resource Management are used quite frequently with more emphasis being placed on latter.

1.3.1 Concept of Personnel Management

According to Edwin B. Filppo, ‘Personnel Management is the planning, organizing, directing, and controlling of the procurement, development, compensation, integration, maintenance, and separation of human resources to the end that individual, organizational and social objectives are accomplished’. French has defined personnel management in the context of its process without mentioning the involvement of management process. He says that, ‘Personnel Management is the recruitment, selection, development and utilization of, and accommodation to, human resources by organizations. The human resources of an
organization consist of all individuals regardless of their role who are engaged in any of the organisation’s activities.\textsuperscript{10}

Besides these individual experts and authors, personnel management has been defined by various institutions. The Institute of Personnel Management London (IPML) formulated an official definition of personnel management in 1945 which was modified in 1965 to reflect the changing scenario of the field. The latter definition is as follows.

‘Personnel Management is the part of management which is concerned with people at work and with their relationship with an enterprise. Its aim is to bring together and develop into an effective organization of the men and women who make up an enterprise and having regard for the well-being of the individuals and of working groups, to enable them to make their best contribution to its success’.\textsuperscript{11}

Nation Institute of Personnel Management – NIPM (India) has defined personnel management as follows.

‘Personnel Management, Labour Management or Staff Management means quite simply the task of dealing with human relationships with an organization. Academically, the three aspects of personnel management are: [1] the welfare aspects concerned with working conditions and amenities such as canteen, crèches, housing, personal problems of workers, schools and recreation [2] the labour or personnel aspect concerned with recruitment, placement of employees, remuneration, promotion, incentives, productivity etc, [3] the industrial relations aspect concerned with trade union, negotiation, settlement
of industrial disputes, join consultation, and collective bargaining. All these aspects are concerned with human element in industry as distinct from the mechanical.\textsuperscript{12}

1.3.2 Concept of Human Resource Management

Human Resource Management (HRM) may be defined as a set of policies, practices and programmes designed to maximize both personal and organizational goals. It is the process of binding people and organisation together so that the objectives of each are achieved.\textsuperscript{13}

National Institute of Personnel Management of India (NIPM), "Human resource management is the part management concerned with the people at work and with their relationships within the organisation. It seeks to bring together men and women who make up an enterprise, enabling each to make his own best contribution to its success both as an individual and as a member of a working group".\textsuperscript{14}

In the words of Michael J. Lucius, "Human resource management may be defined as that field of management which has to do with planning, organizing and controlling the functions of procuring, developing, maintaining and utilizing a labour force, such that the [a] objectives for which the company is established are attained economically and effectively; [b] objectives of all levels of human resources are served to the highest possible degree; and [c] objectives of society are duly coincided and served\textsuperscript{15}"
1.3.3 Concept of Human Capital Management

Sumantra Ghoshal has termed human resources as human capital consisting of three types of capital – intellectual capital, social capital and emotional capital. Intellectual capital consists of specialized knowledge, tacit knowledge and skills, cognitive complexity, and learning capacity; social capital consists of network of relationships, sociability, and trustworthiness and emotional capital consists of self-confidence, ambition and courage.\(^\text{16}\)

1.4 Changes in HR with Technologies

The Human Resource Management requires new approach due to changes in the industry, business methods, corporate policy, technological Impact and trends in globalisation. A wide variety of information needs of a business are recognized into ‘Management Information System (MIS)’. MIS consists of interconnected subsystems. Computer is an electronic tool used to organize, interpret and communicate vast amounts of information with great speed. Electronic Data Interchange (EDI) facilitated the speedy, secured and accurate transfer of documents across the globe. Computers make possible a paperless working system. The inter linkage of computers enable the transactions in an integrative manner.\(^\text{17}\)
1.4.1 Computer Technology in HR

Computer technology of the 1970s and 1980s moved things on, particularly the introduction of desktop PCs and networking in the 1980s. Databases specially designed to meet the needs of personnel came on to the market and many organizations started to transfer their paper records on to computer. Thus was born what are known as Human Resource Information (or Management) Systems, HRISs (or HRMSs). These systems were (and often still are) based on technology known as Client-Server.¹⁸

Computers have simplified the task of HR managers in all the functions like recruitment, selection, training, performance appraisal, compensation plans, and conducting employee surveys. With computer hardware, software, and databases, organizations can keep records and information better, as well as retrieve them with greater ease and accuracy.¹⁹

1.4.2 Role of Electronic Technology in HR

Electronic technology, designed to process and transport data and information (now commonly known as Information and Communication Technology – ICT) has been developing at exceptional rates for more than four decades. The information technology “revolution” has significantly affected employees, managers, and their organizations. It has created countless opportunities and challenges for millions of companies and individuals. Information Technology (IT) has altered the way many people do their jobs and has changed the nature of work in industrialised nations. Managers have been greatly
affected. The challenges facing managers responsible for introducing and implementing this technology have been particularly high (Frenzel and Frenzel, 2004).

For many people, the growth of information technology has been a blessing. New technology has been a major part of their formal education, and it has been important for them to master this technology in order to secure employment and ensure their future success. For others, information technology has been a complementary factor creating apprehension or outright fear. But whether it is welcome or not, information technology has brought considerable change to many lives (Frenzel and Frenzel, 2004).

In Today’s information intensive environment, the creative combination of information and people can be a powerful force in achieving superior performance. In order to reach or exceed challenging goals to satisfy and expand established markets (or develop important new ones), and create excellent value for owners, employees, and customers. High-performance organizations are likely to employ talented, motivated workers supported by well-developed information systems. The combination of skilled people and advanced technology has revolutionized business and commerce and has altered the concept of management. Managers in such organizations devote considerable energy to managing information, its delivery system, the people who deliver it, and those who use it. To succeed in this rapidly changing environment, managers must be fluent in new practices and technologies (Frenzel & Frenzel, 2004).
In the context of organizations, the term Information Technology (IT) describes, an organization’s computing and communicating infrastructures, including computer systems, telecommunication networks, and multimedia (combined audio, text, and video) hardware and software. Another commonly used term is information management. It refers to the business-related data and communication standards and operators in the firm. Still another term, Information Resource Management (IRM), refers to the activities of investing in and managing people, managing technology and data, and establishing policies regarding the use of these assets (Frenzel and Frenzel, 2004)\textsuperscript{23}

Electronic aspect is embodied in all the areas of HRM, where there is transmission of information from one employee to another employee and from one client to another both internally and in the processed form is highly essential in most of the functions and activities of HRM.

1.5 E-HR / E-HRM

E-HR: E-HR is the strategic application of web based technologies to HR-related systems, that along with other organizational changes will lead to more broadly based access to HR information and wider opportunities for managing the information.

E-HRM: 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. The word ‘implementing’ in this context has a broad
meaning, such as making something work, putting something into practice, or having something realized. E-HRM, therefore, is a “concept”- a way of doing HRM.\(^{24}\)

Organizations do not start with nothing when they step out onto the E-HRM road. For a start there will be certain implicit or explicit HRM policy assumptions and practices already in use. Further, every management decision contains some HRM component. From the existing state of the HRM in an organization (the frame of reference), the individuals and groups involved (the stakeholders) make choices with regard to E-HRM. As these are made within a context, the choices are purpose-driven.\(^{25}\)

1.6 Human Resource Information System

Until the 1970s, the most organizations referred to the departments that handled employee hiring, firing, and tracking as personnel. These record-keeping and reporting procedures concentrated on personnel transactions. Through them, the company learned who had been hired, fired, promoted, or transferred. Staff could determine how many full-time, part-time permanent, and temporary employees worked in a particular section, unit, and, to some degree, on the past, but these procedures did not aid significantly in developing strategic or tactical plan. To meet these expectations, the human resources departments needed more management-level information and support. All these data management pressure, coupled with increasing accessibility of more powerful computer, have led to widespread growth of computer applications within human resources. These
new computer systems are known as “Human Resource Management Systems” (HRMS).26

Until 1980s, only the largest and most prosperous organizations could justify investing in the mainframe computers that human resources automation is required. With the advent of micro-computers, record automation became accessible to most businesses, public institutions, and other employers. Micro-computers became commonplace business and management tools, with corresponding growth in human resources-related software. Today most organisations are planning or have already undertaken some human resources automation. But system selection and maintenance requires large investments of money and time. The number and complexity of hardware, software, and operational choices present human resources and system planners with a formidable challenge. They must create and maintain an HRMS that meet information needs efficiently and successfully.27

Some people use the term HRMS for short. Some refer to this type of a system as a human resource information system (HRIS), a personnel data system, an employee information system, or a staff data system. Whichever term they use, more and more professionals who are responsible for employee-related record keeping are including computers as an integral part of their management process. All these terms refer to the application of computers not only to employee-related record keeping and reporting but also to management decision making. As with any other computer system, an HRMS is more than a high-technology black box.28
A human resources information system (HRIS) is a system of software and supporting computer hardware specifically designed to store and process all HR information. HRIS may also be defined as interrelated components working together to collect, process, store, and disseminate information to support decision making, coordination, control analysis and visualization of an organization’s human resource management activities.\textsuperscript{29}

HRIS is also known as HRMS, human resources management systems or less commonly, HRIMS, these systems are the mainstay of modern HR departments. Traditionally, human resources departments relied on multiple programs in each department. An HRIS integrates all of these programs through a common database and single-user interface. An HRIS combines separate HR systems into a centralized database that performs the majority of HR transactions. HRIS are particularly useful for payroll and benefits administration.

A sophisticated HRIS will simplify transactions, automate administrative tasks, and minimize paperwork. It provides a consolidated database to coordinate self-service technologies.

The HRIS is a database designed to allow tracking of all sorts of personnel related information. Because the HRIS can be customized to fit any number of Human Resource needs, it is possible to adapt the system to any company or industry setting. The HRIS System is capable of such tasks as identifying and tracking contacts with applicants,
maintain essential data on the status of each employee in the company, and in general make the process of Human Resources management much easier to maintain one of the most attractive aspects of the HRIS System is the ease of customization. It is possible to make the system as comprehensive as the employer desires. This is accomplished by identifying and adding specific modules to the system and activating features associated with each module. For example, if the HRIS System needs to keep track of training functions for new hires and current employees, the planning software module makes it possible to plan the overall training program and also keep track of who has participated and successfully completed each section of the program.30

The HRIS System is capable of handling all types of Human Resource functions. The capabilities begin with the hiring process, making it easy to track applicants from the submission of the initial application all the way through the offer of employment. When it comes to employee reporting, HRIS can maintain information on employee evaluations, requests for transfer to a different department, or an in house application for a promotion. These types of reporting capabilities make it possible for a user of the HRIS System to access and review a complete history of a given employee from the time of application through all promotions, evaluations, and wage increases. The system can even be used to identify productivity awards issued to the employee, as well as any bonuses that may be due to the employee as a result of participation in a merit program.31

It is not necessary to activate all the modules in the HRIS System during the initial setup. As the company grows and the ranges of Human Resource functions begin to
expand, it is possible to activate additional modules on an as needed basis. This allows the system to grow with the company and continue to keep the process of Human Resources management simpler even as the business expands.

The basic HRMS or HRIS consists of the following parts.32
1.6.1 Advantages of HRMS / HRIS (automating HR)

Computerisation brings numerous benefits to a human resource department. Each human resource function finds its own special blessings in automation. In virtually every case, the automation of human resource records will do the following: 

1. Increase data accuracy
2. Increase processing speed
3. Create more useful, sophisticated records
4. Increase productivity

1.7 HRMS Products an Overview

1.7.1 PeopleSoft

PeopleSoft, Inc. was a company that provided human resource management systems (HRMS) and customer relationship management (CRM) software, as well as software solutions for manufacturing, financials, enterprise performance management, and student administration to large corporations, governments, and organizations. It existed as an independent corporation until its acquisition by Oracle Corporation in 2005. The PeopleSoft name and product line are now marketed by Oracle. PeopleSoft founded in 1987 by David Duffield and Ken Morris, PeopleSoft was originally headquartered in Walnut Creek, California before moving to Pleasanton, California. Duffield envisioned a client–server version of Integral Systems' popular mainframe HRMS package.
PeopleSoft Enterprise human capital management solution is:

1. No.1 in HRMS, Benefits, Employee and Manager Self-Service, Talent Management, Learning Management and HR Business Intelligence
2. Award winning for Payroll Services
3. PeopleSoft customers are 41% more likely to be satisfied with their HCM system
4. Ranked leading choice in HCM solutions by independent analyst

1.7.2 SAP HR-Module

SAP was founded in 1972 in Walldorf, Germany. It stands for Systems, Applications and Products in Data Processing. Over the years, it has grown and evolved to become the world premier provider of client/server business solutions for which it is so well known today. The SAP R/3 enterprise application suite for open client/server systems has established new standards for providing business information management solutions.  

The main advantage of using SAP in any organization as ERP system is that SAP has a very high level of integration among its individual applications which guarantee consistency of data throughout the system and the company itself.

SAP now are moving away from describing their system as a set of SAP Modules, and now are using the term ‘solutions’, which is much better, as follows:

1. Financials
2. Human Resources
3. Customer Relationship Management

4. Supplier Relationship Management

5. Product Life cycle Management

6. Supply Chain Management

7. Business Intelligence

SAP HR stands for Human Resources and this is the module which helps you optimize your HR processes to attract, develop and attain the right people including:

1. Employment history
2. Payroll
3. Training
4. Career management
5. Succession planning

1.7.3 JD Edward

JD Edwards Enterprise was founded in 1978 as an IBM business partner in the Greater Denver, CO area. Focused early on as a software development shop for companies running on the IBM midrange platforms (S/36, S/38). Soon began developing and supporting packaged applications. Oracle's JD Edwards Enterprise, one of human capital management solution, is a suite of integrated, collaborative applications designed to help streamline HR operations by reducing time-intensive administrative tasks and lowering costs by deploying self-service applications.
1.8 Theoretical frame work of E-HRM

1.8.1 Introduction

E-HR is the strategic application of web based technologies to HR- related systems that along with other organizational changes will lead to more broadly based access to HR information and wider opportunities for managing the information. (Bryan Hopkins and James Markham, 1998).\(^{38}\)

[Source: Bryan Hopkins and James Markham, (1998), E-HR: Using intranets to improve the effectiveness of your people].\(^ {39}\)
Internet and intranet technology offers a number of ways in which HR services can be managed and delivered. These can be summarized under six broad headings.\(^{40}\)

1. A more strategic approach to HR.
2. Better support to management throughout the business.
3. Greater potential for organized collaboration and learning.
4. Enhanced organizational prestige.
5. Reduced administrative costs.
6. A happier workforce.

**A more strategic approach to HR**

E-HR can help HR to take on a more strategic role by reducing the time needed for administration thereby freeing staff to take on the crucial strategic role, and by providing information for strategic decision making.

**Better support to management throughout the business**

E-HR can give line managers improved functionality so that they can do their job more effectively and enable much more information to be available at line manager level so that informed decisions can be made quickly.

1. Providing more operational functionality.
2. Providing better-quality information
3. Information and services available everywhere and all the time.
4. Integration of organizational systems.
5. Improved organizational monitoring.

**Greater potential for organizational collaboration and learning**

1. Learning opportunities can be delivered and managed more easily through e-learning.

2. Business-related information can flow more easily, upwards, downwards and laterally.

**Enhanced organizational prestige**

Some organizations may consider it as important to be seem as the cutting edge of technology.

**Reduced administrative costs**

E-HR systems are often sold on the basis of their ability to reduce HR administrative costs and also reduce costs in other areas

1. Reducing HR related costs: The traditional method of processing HR information involves a considerable amount of routine clerical work. Depending on the size of the organization, a small army of people may be involved in transferring handwritten information to centralized computer system or in putting pieces of paper in ever-growing personal files. E-HR systems reduce HR costs through reducing the need for routine administration and data putting.

2. Reducing costs through streamlining processes: One of the principle aims of e-HR implementation is to streamline process and reduce the amount of routine
administrative work carried out across the organization in general and by the HR Department specifically.

**A Happier workforce**

Dave Ulrich says that the purpose of the HR Department in any organization is to develop a “High Performance Work System” (HPWS) by

1. linking selection and promotion decisions to established competency assessments.
2. having strategies that identify and find people needed to help the organization respond to changes in its marketplace.
3. attracting, retaining and motivating high-quality employees.

**1.8.2 E-HR challenges**

HR managers will have a key role in articulating to others (including their own staff) the challenges and benefits that e-HR will bring.

1. Breaking down the barriers between HR and IT
2. Raising the profile of HR
3. HR staff becoming customer-focused
5. Keeping information secure

**E-HRM**

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. The word ‘implementing’ in this context has a broad meaning, such as making something work, putting something into practice, or having something realized. E-HRM, therefore, is a “concept” - a way of doing HRM.⁴¹

The steps towards the theoretical framework will be discussed by the headings (a) the state of HRM in an organization, (b) the e-HRM goals, (c) types of e-HRM and (d) HRM outcomes.

**State of HRM in an organization**

Organizations do not start with nothing when they step out onto the e-HRM road. For a start there will be certain implicit or explicit HRM policy assumptions and practices already in use.

From the existing state of the HRM in an organization (the frame of reference), the individuals and groups involved (the stakeholders) make choices with regard to e-HRM. As these are made within a certain context, the choices are purpose-driven.

**E-HRM goals**

Lepak and Snell were refer to the four ‘pressures’ of virtual HRM. First of all, HRM departments are asked to focus on strategic questions. Secondly, these departments need to be flexible in terms of policymaking and practices. Thirdly, HRM departments should work efficiently and be aware of costs (“…a hard line on costs”). Fourthly, HRM departments should be service-oriented towards management and employees. In short,
HRM departments must be strategy-focused, flexible, efficient, and client oriented; and all at the same time (Lepak and Snell, 1998).

But we think that they can be reduced to three types of goals, namely:

1. Improving the strategic orientation of HRM
2. Cost reduction/efficiency gains
3. Client service improvement/facilitating management and employees

**Types of E-HRM**

Wright and Dyer (2000) distinguish three areas of HRM where organizations can choose to ‘offer’ HR services face-to-face or through an electronic means:

1. Transactional HRM,
2. Traditional HRM, and
3. Transformational HRM

Lepak and Snell (1998) make a similar distinction, namely operational HRM, relational HRM and transformational HRM.

1. The first area, operational HRM, concerns the basic HR activities in the administrative area. One could think of salary administration (payroll) and personnel data administration.
2. The second area, relational HRM, concerns more advanced HRM activities. The emphasis here is not on administering, but on HR tools that support basic business
processes such as recruiting and the selection of new personnel, training, performance management and appraisal, and rewards.

3. Transformational HRM, the third area concerns HRM activities with a strategic character. Here we are talking about activities regarding organizational change processes, strategic re-orientation, strategic competence management, and strategic knowledge management.

The theories of Snell et al. (1996) and Lengnick-Hall & Moritz (2003) can be used to get insights in the differences in how IT can be used to support e-HRM. The different types of e-HRM support seem to vary, according the theory of Snell et al. (1996) and Lengnick-Hall & Moritz (2003), on two aspects, namely:

1. The intended impact of the technology
2. The role of IT in supporting an HR activity

These differences in support, allow the creation of a typology with three levels of e-HRM support. For this research the following typology for the support of e-HRM activities is used:

1. Informational e-HRM support
2. Relational e-HRM support
3. Transformational e-HRM support
The above mentioned different types of E-HRM activities are differentiated with the help of the table as given (Marco Maatman, 2006) below:

<table>
<thead>
<tr>
<th>Intended impact of the IT</th>
<th>Type of e-HRM support</th>
<th>Informational e-HRM technology</th>
<th>Relational e-HRM technology</th>
<th>Transformational e-HRM technology</th>
</tr>
</thead>
<tbody>
<tr>
<td>Varies over</td>
<td></td>
<td>Target</td>
<td>HR department</td>
<td>HR function</td>
</tr>
<tr>
<td>The impact of the technology</td>
<td>Reducing administrative and informing pressure on the HR professionals</td>
<td>Optimising the workflow between employees, management and HR professionals</td>
<td>Creating of a flexible organisation</td>
<td></td>
</tr>
<tr>
<td>Means</td>
<td></td>
<td>Provision of HR data through web-based channels</td>
<td>Automation of HR activities and workflow support of the HR activities</td>
<td>Supporting the execution of HR activities adjusted to the specific situation</td>
</tr>
<tr>
<td>Role of IT in supporting an HR activity</td>
<td>IT capabilities</td>
<td>Digitising HR data and making this HR data available for its stakeholders</td>
<td>Steering and recording of the interactions and mutations made when an HR activity is performed</td>
<td>Bypassing organisational hierarchy and freeing up HR decision-making from bureaucracy</td>
</tr>
<tr>
<td>Technology …… HR data</td>
<td></td>
<td>provides and records</td>
<td>supports the flow and recording of</td>
<td>analyses, processes and distributes</td>
</tr>
</tbody>
</table>

The differences between informational, relational, and transformational e-HRM Support (Marco Maatman, 2006)

**E-HRM outcomes**

E-HRM is a way of thinking about and implementing HRM strategies, policies, and practices. By following a specific e-HRM direction, an organization expects to achieve certain goals: an improvement in the HR’s strategic orientation, an improvement in client focus and satisfaction, and a decrease in costs or increased efficiency. Besides these goals that can lead to anticipated outcomes, a number of so-called ‘overall’ organizational goals can be distinguished regarding an organization’s ‘social capital’. All
HRM activities, and therefore also all e-HRM activities, will implicitly or explicitly be
directed towards these ‘overall’ goals.43

Beer et al. (1984) distinguish four possibilities:

1. High commitment,
2. High competence,
3. Cost effectiveness, and

1.8.3 Consequences of E-HRM for the HR department

E-HRM will assume an active role for line management and employees in
implementing HRM strategies, policies, and practices. In terms of the more operational
and information processing work, such as administration, registration and information
distribution, there will be less demand for HR people

E- HRM costs lower and improve efficiency by

1. Reducing paperwork and streamlining work flow,
2. Automating redundant HRM tasks,
3. Empowering employees to embrace a self- service HRM delivery system,
4. Keeping the company workflow fully informed about all important HR
   compliance issues and corporate events,
5. Speeding up the response time of HRM systems,
6. Ensuring that more informed decisions are made,
7. Improving time management,

E-HRM can become a new destiny in terms of HRM. In the first place because of the opportunities it creates to put employee-management relationships in the hands of the employees and line managers. In the second place because information technology creates possibilities to design HRM tools and instruments that would not be possible without this information technology.

1.9. Need of the study

Researchers started viewing surveys of HR consultants suggest that both the number of organizations adopting e-HRM and the depth of applications within the organizations are continually increasing (Stefan Strohmeier).

It is sufficient, however, to recognize e-HRM as an innovative, lasting and substantial development in HRM that results in new phenomena and major changes. E-HRM is a new and intriguing field of research at the intersection of human resource management and information systems (Stefan Strohmeier).

Using the concept of technological frames, e-HRM has examined the different attitudes of line managers and HR teams towards technology as social phenomena (Steve Foster).
By using e-HRM the organisations can reduce process and administration costs. Fewer HR professionals are needed because e-HRM eliminates the ‘HR middleman’. Furthermore, e-HRM speeds up transaction processing, reduces information errors, and improves the tracking and control of HR actions (Tanya Bondarouk et. Al).46

1.10. Purpose of the Study

The primary purpose of this study is to give an insight into the present Human Resource Management [HRM] practices with the application of Information and Communication Technology. The study focuses application of information and communication technologies to deliver human resource services (also known as e-HRM) has become an important strategy for firms seeking to achieve a competitive advantage. The study describes in the title itself that the application of Electronic Human Resource Management in information technology, software organization and Information Technology Enabled Services (ITES) like BPO, industries in Chennai.

1.11 Scope of the Study

The study is conducted in one of the popular global IT (Information Technology) corridor and major metro city of India, i.e., Chennai. Ten years old IT and IT enabled services organizations were selected for the study. The study focuses vital concepts of E-HRM, which are contributing major role in HR practices.
The study is carried out into four parts as given below.

1. E-Recruitment
2. E-Training
3. E-Attendance System
4. E-Payroll System.

1.12 Importance of the Study

Electronic human resource management has become important for both business and public actors in the past decades. Electronisation in relation to human resources, naturally with different intensity and from different aspects, has moved into the centre of attention everywhere. (Zoltan Majo, 2007).

Business practice, in relation to HR labour electronisation, has reflected a fast improvement and permanent change for the past decade, both at global and national levels. Top enterprises with global presence have been using web solutions in the field of HR for many years. Every company on Fortune Magazine’s list uses this tool in its HR activity.

Besides Business developments, government efforts have also appeared in the field of e-HRM. The extension of employment agencies and services of job centre to the internet in order to increase the flexibility labour market takes second among the 12 online services adopted by member states and is to be implemented in every EU member state. (Zoltan Majo, 2007).
Besides business and government interpretation and utilization, the notation of e-HRM is related to three disciplines; it can be approached from three angles from a scientific point of view. On the one hand, from the aspect of economics, starting from the field of management and corporate economics, on the other hand, from the point of view of IT, through enterprise resource planning systems and, on the third hand, analysed from the point of view of changes in the information society (Zoltan Majo, 2007).49

Zoltan has used the approach of the American author Stan Davis and stated that the effects of information society are transforming the world of labour. The internet is modernising HR work, and the management of the “Knowledge worker” is posing new challenges to HR.50

1.13 Objectives of the Study

The objectives of this study are as listed below

1. To identify the demographic profile of the respondents on E-HRM in IT and IT enabled organizations.

2. To know the opinion on E-HRM practices in IT and IT enabled organisations.

3. To know the opinion on E-HRM practices among HR executives and Non-HR executives.

4. To know the opinion on E-HRM practices among categories of organisations.

5. To find the factors contributing to the effectiveness of E-HRM.

6. To find the impact of various factors on the effectiveness of E-HRM.
1.14 Chapterisation Scheme of the Study

The first chapter of the study deals with the introduction part of the study and it covers importance of human resource, various concepts of human resource, technology application in human resource, E-HRM concept and HRMS, and HRMS products, theoretical frame work of E-HRM, need of the study, purpose and objectives of the study as well as scope of the study.

In the second chapter, detailed profile of the industry is presented. It covers IT and IT enables services industries. The third chapter covers the review of literature about the study area E-HRM, E-Recruitment, E-Training, E-Payroll and E-Attendance. The fourth chapter deals with application of the research methodology of the study which covers research design, data collection methods, Sample size and the use of different statistical tools for the data analysis of the study. The fifth chapter presents the data analysis and interpretation -1 of the study presented with the use of statistical tools with necessary tables and charts and it includes frequency distribution, and weighted average. The sixth chapter deals with the data analysis and interpretation-2 and it cover statistical tools such as Anova, Friedman test, Regression analysis and one sample test.

Finally, the seventh chapter, the key findings and conclusion are recapitulated. Based on these findings, a few suggestions are made.
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