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### RESEARCH ARTICLE

#### IMPACT OF E-HRM IN PRIVATE SECTOR BANKS OF COIMBATORE DISTRICT.

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#### **Abstract**

Human resource management has always played a major role in improving the performance of an organization. Due to the recent advancement, the HRM adopts Information Technology in its functions to perform effectively and efficiently. Information technology is changing the way HR departments handle record keeping and information sharing. It decreases the paperwork substantially and allows easy access to voluminous data. The employee can also keep track of his/her achievements without having to go through litigious procedures. It uses intranet or other web technology channels. It can also be used for implementation of different HR strategies. The processing and transmission of digitalized HR information is called electronic human resource management (e-HRM).

The IT possibilities for HRM are endless, in principle all HR processes can be supported by IT. With computer hardware, software and databases, organization can keep records and information better as well as retrieve them with greater ease. EHRM aims at transforming the HR functions into one that is paperless, more flexible and resource efficient.

This paper aims to study the impact of Electronic Human Resource Management in Private sector banks of Coimbatore District.

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#### **Introduction:-**

'E-HRM replacing traditional HRM in all sectors beginning to gather momentum in India'. Human Resources are the key elements to run any organization. Efficient human resource management is one of the most essential requirements for survival in this competitive world. Its importance becomes pivotal when it is been related with service sector and skilled related organization.

One stated purpose of electronic human resource management (e-HRM) is to make the entire HRM functions more optimize. Technology-is such a cutting edge innovations which rapidly moved the business world. The Human Resources Management is such cluster and recipe of the organizations management where electronic human resources management called e-HRM is becomes the prime focus in new world.

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This study is to analyse the diversification of human resources management function through infusion and application of e-HRM. This study aims at finding impact of electronic human Resources management Systems (e-HRM) in the Private Sector banks of Coimbatore District. It depicts the effects and importance of using online system through the core functions of human resources management and find the gap between current level and expected level in Banks.

### **Need of the study:-**

‘The only thing that is Constant is Change’ as modern world is highly dynamic and competitive due to scientific and technological development. In this competitive world in order to survive in any sort of business adopting changes has become inevitable.

Effective management of human resources play a vital role in sound management of banks as human resource management is a central sub system of modern management system.

HRD facilitated for all round development of banks in addition to allowing them to be dynamic and responsive to the environmental changes. The banking sector has been growing at a very fast pace in India not only in the terms of its size but also in terms of the services being provided. With banks reaching the remote areas in the country one can anticipate positive things like financial aid to farmers and increased financial awareness. However, with the increase in size and activities of banks, the number of banks in private sectors has also increased thereby posing challenges like cost-efficiency, technological advancement, and credibility related issues. The task before the HR is to develop strategies that help banks in gaining competitive advantage and encourage innovation in its products and services. In India after computerization of Banks the HR functions are facilitated by using E-HRM.

“Impact of Electronic human resource management in Private sector Banks of Coimbatore District” is to analyse the changing role of HR and issues arising in EHRM as Information Technology is highly dynamic.

### **Review of Literature:-**

- ❖ In the view of Armstrong (2006). A Handbook of Human Resource Management Practice. New Delhi: Kogan e-HR provides the information required to manage HR processes. These may be core employee database and payroll systems but can be extended to include such systems as recruitment, e-learning, performance management and reward. The system may be web-based, enabling access to remote or online and at any time. The information provided by the e-HR process can be communicated across organisations.
- ❖ Kettley and Reiley (2003) P. (2003). E-HR: An introduction. IES Report states that a computerized human resource information system consists of “a fully integrated, organisation wide-network of HR-related data, information, services, databases, tools and transactions. Technology has only recently developed in a way that enables e-HR to make its mark, especially the introduction of corporate intranets and web-enabled HRIS. The nature of the development path, however, varies considerably from organisation to organisation.
- ❖ Foster, Hawking and Stein (2004) (2004). E-HR and Employee self service: A Case Study of a Victorian public sector organisation. [www.google.com](http://www.google.com)
- ❖ describe that the application of the internet to the Human Resource function (e-HR) combines two elements: one is the use of electronic media while the other is the active participation of employees in the process. These two elements drive the technology that helps organisations lower administration costs improve employee communication and satisfaction, provide real-time access to information while at the same time reducing processing time. This technology holds out the promise of challenging the past role of
- ❖ HR as one of payroll processing and manual administrative process to one where cost efficiencies can be gained, enabling more time and energy to be devoted to strategic business issues.
- ❖ EMPLOYEE SATISFACTION FOR E-HRM-Manivannan S.K. Research Scholar, SRM University, School of Management, India Email: [manivannansk@gmail.com](mailto:manivannansk@gmail.com)
- ❖ In his study conceptual model that uses a few dimensions which belong to the domain of user satisfaction with the eHRM b2e portal. The model forms the basis on which a new instrument to measure user satisfaction with such portals has been developed. The model has been validated in a limited fashion with a large organisation practising eHRM application based on an intra-net based b2e portal and has been found to be having a good predictive ability for user satisfaction.

**Objectives of the Study:-**

1. To analyse the impact of E-HRM in HR functions of Private sector Banks of Coimbatore District.
2. To analyse the issues in E HRM and to suggest some measures for better E-HRM practices.

**Methodology:-**

To undertake this study a sample of 120 Bank employees from Private sector Banks of Coimbatore District have been selected as respondents by applying simple random sampling technique. A structured questionnaire has been administered to the respondents and primary data have been collected. Statistical tools namely simple percentage analysis, Chi Square and T-test have been used to analyse the primary data. Secondary data for the study have been collected from various publications in journals, magazines, websites and books.

**Analysis and Interpretations:-****Table 1:-** Personal profile of the respondents.

Particulars	Variables	No	%
Gender	Male	93	77.5
	Female	27	22.5
	Total	120	100
Age	20-30	79	65.8
	30-40	23	19.2
	40-50	9	7.5
	Above 50	9	7.5
	Total	120	100
Marital Status	Single	107	89.2
	Married	13	10.8
	Total	120	100
Education	UG Degree	92	76.7
	PG Degree	27	22.5
	Others	1	0.8
	Total	120	100
Salary	Less than 15000	15	12.5
	16000-20000	53	44.2
	21000-25000	26	21.7
	Above 25000	26	21.7
	Total	120	100.0
Experience	Less than 5 years	79	65.8
	6-10 years	39	32.5
	11-15 years	2	1.7
	Total	120	100.0
Name of the bank	HDFC	19	15.8
	ICICI	16	13.3
	Axis	17	14.2
	LVB	13	10.8
	KVB	13	10.8
	Yes Bank	8	6.7
	Kotak Mahindra Bank	8	6.7
	ING Vysya Bank	7	5.8
	Karnataka Bank	7	5.8
	Federal Bank	6	5.0
	Dhanalakshmi Bank	3	2.5
	South Indian bank	3	2.5
	Total	120	100.0

**From the above table it is evident that:-**

- Majority( 77 per cent )of the respondents are male and 23 percent of the respondents are female.
- 66 percent of respondents are in the age group of 20-30, 19 percent are in the age group of 30-40 , 8 percent of them are in the age group of 40-50 and remaining 7 percent are above 50 years
- 89 percent of the respondents are single and 11 percent of the respondents are married.
- 77 percent respondents have completed UG degree and 28 percent have completed their PG degree and 1 percent have done other ie school level.
- Majority (53 percent) of respondents salary is from 16000-20000, 26 percent of respondents salary is from 21000-25000 , 26 percent respondents salary is above 25000 and 15 percent of the respondents salary is below 15000
- Majority(79 percent) of the respondents are having less than 5 years of experience,39 percent of them are having 6-10 years of experience and only 2 percent of the respondents are having 11- 15 years of experience.
- 19 percent respondents are working in HDFC bank, 17 percent respondents are working in Axis bank,16 percent working in ICICI bank, 13 percent respondents are working in LVB bank ,13 percent respondents are working in KVB bank ,8 percent respondents are working in YES Bank ,8 percent respondents are working in Kotak Mahindra Bank,7 percent respondents are working in ING Vysya Bank, 7 percent respondents are working in Karnataka Bank, 6 percent respondents are working in Federal Bank, 3 percent respondents are working in Dhanalakshmi Bank and 3 percent respondents are working in South Indian bank.

**Table 2:-** Opinion of Respondents towards HR functions using EHRM.

Particulars	Variables	No	%
Selection & Recruitment	Excellent	19	15.8
	Very Good	46	38.3
	Good	43	35.8
	Poor	12	10.0
	Very Poor	0	0
	Total	120	100
Training & Development practices	Excellent	0	0
	Very Good	51	42.5
	Good	42	35.0
	Poor	27	22.5
	Very Poor	0	0
	Total	120	100
Performance evaluation practices	Excellent	6	5.0
	Very Good	36	30.0
	Good	52	43.3
	Poor	26	21.7
	Very Poor	0	0
	Total	120	100
Promotion Practices	Excellent	3	2.5
	Very Good	72	60.0
	Good	45	37.5
	Poor	0	0
	Very Poor	0	0
	Total	120	100
Grievances handling	Excellent	0	0
	Very Good	45	37.5
	Good	75	62.5
	Poor	0	0
	Very Poor	0	0
	Total	120	100

**From the above table it is evident that:-**

- 38.3% of the respondents feel that Selection and recruitment practices are very good 35.8% feel it as good ,15 % feel it as excellent practice and only a merger portion of 10% stated as poor practice so we can conclude that Selection and recruitment practices is considered very good.
- 42.5% of the respondents feel that Training & Development practices are very good 35% feel it as good , 22.5% stated as poor practice so we can conclude that Training & Development practices is considered very good but new methods of Training & Development practices can be introduced .
- 43.3% of the respondents feel Performance evaluation practices are good ,30% feel it as very good , 5% stated as excellent practice and 21.7% have stated poor practice so we can conclude that Performance evaluation practices is considered good .
- 60% of the respondents feel Promotion Practices are very good , 37.5% feel it as good and 2.5 % stated as excellent practice so we can conclude that Promotion Practices is considered very good.
- 62.5% of the respondents feel Grievances handling good and 37.5% feel it as very good so we can conclude that Grievances handling is considered good and have no negative impact on it.

**Table 3:-** Opinion of respondents about their performance using E HRM.

Education qualification	Opinion of the Respondents-E-HRM increases their performance					Total
	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	
UG Degree	39 (32.5%)	53 (44.2%)	0	0	0	92(76.7%)
PG Degree	13 (10.8)	14 (11.7%)	0	0	0	27 (22.5%)
Others	0	1(.8%)	0	0	0	1 (.8%)
	52 (43.3%)	68 (56.7%)	0	0	0	200(100%)
Chi Square Value=0.591			Table Value=0.094		df=2	

$H_0$  : There is no significant relationship between Educational qualification of the respondents and performance of respondents using E HRM

As the calculated value(0.591) is more than the table value(0.094),the hypothesis is not accepted so it is concluded that there is significant relationship between Educational qualification of the respondents and performance of respondents using E HRM

**Table 4:-** E-HRM application serve as self-service influence level of expertise in HR using E –HRM.

E-HRM application serve as self-service	Level of expertise in HR using E -HRM					Total
	Excellent	Good	Average	Poor	Very poor	
Strongly agree	26(21.7%)	0	0	0	0	26(21.7%)
Agree	68(56.7%)	26(21.7%)	0	0	0	94(78.3%)
Neither agree nor disagree	0	0	0	0	0	0
Disagree	0	0	0	0	0	0
Strongly disagree	0	0	0	0	0	0
	94(78.3%)	26(21.7%)	0	0	0	120(100%)
Chi Square Value=0.002			Table Value=0.227		df=1	

$H_0$  : There is no significant relationship between E-HRM application serve as self-service and level of expertise in HR using E –HRM.

As the calculated value(0.002) is less than the table value(0.227),the hypothesis is accepted so it is concluded that there is no significant relationship between E-HRM application serve as self-service and level of expertise in HR using E –HRM.

**Table 5:-** Is there any difference between Performance of employees using EHRM & Satisfaction.

Paired Samples	Mean	Std. Deviation	Std. Error Mean	t	df	Sig. (2-tailed)
PerformanceEHRM - Satisfaction	-.083	.885	.081	-1.032	119	.304

As the calculated value 0.304 is more than the table value -1.032 of 95% Confidence Interval of the Difference , Hence we conclude that there is no significant difference between Performance of employees using E-HRM & Satisfaction.

**Suggestions:-**

- For optimum use of E-HRM it can be updated on routine basis.
- Features and area of change or modifications in E-HRM may be communicated; in case of major change on the job training can be given.

**Conclusion:-**

HR management had undergone radical changes over the last fifty years, while technological development has enabled the transformation of many business activities and banking Industry also have no exemptions. Use of e-HRM is one of the main factors for the success and survival of any sort of organizations in today's global market and an organization that can use it best, compared to other competitors, will be a better place . As E -HRM performs as self service it enables commitment and satisfaction to the employees. E-HRM works as common platform to solve grievances. E-HRM is having a positive impact on employees and on Banking Industry. E-HRM has a positive impact on HR function of private sector banks by decreasing the paperwork substantially and allows easy access to voluminous data. The employee can also keep track of his/her achievements without having to go through litigious procedures.

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