



**ORIGINAL RESEARCH PAPER**

**Management**

**CHALLENGES OF HR PRACTICE IN NEW ERA**

**KEY WORDS:** e-HRM, ERP, HRIS, Productivity

**Nikhil Kumar\***

Program Manager, Birlasoft, M313, Vivek Vihar, Sector 82, Noida.  
\*Corresponding Author

**ABSTRACT**

Twenty first century has witnessed a huge revolution in the fields of science and technology which has led to increase in the use of innovative information technologies (IT) in human resource management (HRM). This is further enhanced by enterprise resource planning (ERP) software in combination with internet-based technologies which enables standardization and automation of the administrative components of HRM activities. These internet-based HRM IT innovations, are referred to as e-HRM, which play a key role in the increase in economic efficiencies in processing administrative functions and communicating information. With the advent of new technology, the time-based and spatial boundaries of the firm are evolving and organizational structure has been redefined with the changing working hours and workspace.

**INTRODUCTION**

e-HRM, HR Information System (HRIS), virtual HR (M), web-based HRM, intranet-based HRM are used interchangeably in the existing literature. Strategic HRM has been widely defined as “the pattern of planned human resource deployments and activities intended to enable an organization to achieve its goals”. HRIS, is defined as a system used to acquire, store, manipulate, analyze, retrieve and distribute information regarding an organization's human resources. The purpose of HRIS is to provide to its users strategic, tactical and operational decision making.

One of the earliest business processes to be automated in organisations was payroll administration and it will not be an overemphasis to state that the Human Resources function has been on the lead of integrating technology in organisations. During the period from 1980 to 1990 HR had essentially four activities which included staffing, development, appraisal and rewards. The early 1980s marked a period where the payroll vendors began to emerge, offering technology and promoting ERP solutions which could combine personnel data and payroll applications. Towards the end of 1980s small and medium-sized firms could incorporate computer-based HR systems. During 1990 to 2000 the economy witnessed an era of technological advancement, globalization and the emergence of strategic HR. Several HR initiatives were undertaken such as keeping a check on employee numbers, reducing layers of management, reducing bureaucracy, autonomous work teams and outsourcing. The role of HR began to move beyond automated payroll and benefits transactions to, recruiting talent and talent management through HRIS solutions. Finally, beginning of the 21st century marked the need to create value for key stakeholders by creating strategic value by measuring its impact on productivity, data mining and making decisions about talent. Considering the development of technology and the importance of the human resource, managers realized that human resource is valuable, rare, inimitable, and non-substitutable.

Changes in technology made it possible to improve human resource functions such as selection, recruitment, training, performance appraisal, determining wages and salaries. Over the years the trends have changed as businesses primarily employed HR functions for routine transactional activities and traditional HRM activities to now dealing with transformational activities that add value to the organization. The development of web-based technology has allowed firms to provide services directly to employees and managers through the use of self-service systems. Over recent years, we have seen a shift in the delivery of transactional HRM from an approach which is “labour intensive” to one which is “technology-intensive” whereby a large proportion of

activities are now delivered using software rather than by HR administrators

**Case Study**

However, the existing literature holds two different standpoints with respect to the changes in the corporate domain with the growth of the IT infrastructure. On one end of the field it has led to positive and transformational results in HR practices, especially in transaction cost solutions such as vertical integration, outsourcing, record retention, payroll processing, self-service portals and streamlined processes. On the contrary, researchers on the other end they have also put forth arguments suggesting that the infusion of IT in HRM has been disruptive. There have been issues of unfairness to employees. Businesses look for new ways to increase 'performance' from the same employees, especially given recent challenges to global and local economies raises ethical considerations for human resource policy development and practice. There is a need to take into consideration the costs to people i.e. the negative externalities such as disrupted work-life balance, quality of life, family time, societal impact, stress and anxiety levels, illness and deaths etc.

This paper aimed to address a theoretical debate on the intersection of information technology and human resource management functions. Managers involved in making strategic decision can determine the extent of an organization's e-HRM capabilities. However, it may also be based on a broader context in which organizations exist. The results highlight that the outcomes of combining information technology and human resource strategy may not emerge solely within the organization but co-evolve with external stakeholders such as vendors, political institutions and market competitors. It has led to cost control, flexible services, employee participation, global talent search, retention, monitoring, building up organization-wide knowledge resources, development of intellectual capital and greater administrative efficiency. However, it has also had adverse effects such as increase in work stress and workload in order to make use of the time saved by technology but without reasonable calculation of the real time required to cope with the new workload. The increasing virtual environment of work also makes it easier for employees to leave their work or their workplace mentally while being physically present, which has given rise to increasing cases of shirking.

The findings suggest that there is a need for a multi-stakeholder perspective in e-HRM research to achieve complete understanding.

Transforming HR management from administrative functions to strategic focus defines new competencies such as business

knowledge, change management and technological competencies. In order to be an important player in an organization and to create value for the organization, HR professionals need to know about business and its environment. They also need new competencies on IT and more knowledge on facilities of IT from what they had in the past. There is an increasing need to focus attention on how to prepare HR professionals for their new roles and responsibilities. Some of the learning strategies for developing strategic competence among HR professionals to prepare them for the new roles they will face in e-HR environments include active learning, experiential variety and learning from errors. If one firm is able to perform the HR activities in a superior way it achieves a competitive advantage over other firms. It can also enable the firm to develop superior talent and have an indirect advantage as compared to the rival firms.

**CONCLUSIONS**

In the coming years, it can be predicted that the measurement of workforce productivity will become a critical issue for the HR function. Over a shorter term, the focus will remain on the skills of the workforce, but over the long term, the focus will shift towards talent management and will engage technical tools to facilitate workforce optimization.

To conclude it can be said that HR practice is becoming more and more challenging by the day. HR professionals have to face lot of problems like retention, attraction of employee, dealing with different cultural people, managing work force diversity, technological and informational. Thus, there is a need for human resource managers to come to terms with the new technological realities and look into their impact not only so as to ensure an atmosphere conducive to the optimal fulfillment of the employment contract but also to ensure greater productivity and profitability of the organization.

**REFERENCES:**

1. Marler, J.H. and Parry, E., 2016. Human resource management, strategic involvement and e-HRM technology. *The International Journal of Human Resource Management*, 27(19), pp.2233-2253.
2. Kamal & Ashish, K., 2013. Impact of technology advancement on human resource performance. *International Journal on Arts, Management and Humanities*, 2(2), pp.43-47.
3. Ogunyemi, K., 2014. NEW TECHNOLOGY AND ETHICAL HUMAN RESOURCE MANAGEMENT. *European Scientific Journal*, ESJ, 10(2).
4. Ruel, H., Bondarouk, T. and Looise, J.K., 2004. E-HRM: Innovation or irritation. An explorative empirical study in five large companies on web-based HRM. *Management revue*, pp.364-380.
5. Gupta, M., 2017. Impact of Technology and Culture on Human Resource Management. *International Journal OF Engineering Sciences & Management Research*, p. 14.
6. Parry, E., 2011. An examination of e-HRM as a means to increase the value of the HR function. *The International Journal of Human Resource Management*, 22(05), pp.1146-1162.
7. Heikkila, J., 2010, May. A Delphi study on e-HRM: Future Directions. In *Proceedings of the 3rd European academic workshop on electronic human resource management* (pp.229-249).
8. Bell, B.S., Lee, S.W. and Yeung, S.K., 2006. The impact of e-HR on professional competence in HRM: Implications for the development of HR professionals. *Human Resource Management: Published in Cooperation with the School of Business Administration, The University of Michigan and in alliance with the Society of Human Resources Management*, 45(3), pp.295-308.
9. Desai, D.K., 2018. Critical Study on Impact of Information Technology on HR practices. *International Journal of Management Research*, 6(7), pp.30-40.
10. K Nagendrababu, M.C.G., 2018. A Study of E-HRM Practices in Information Technology Industry. *Journal of Business and Management*, 20(3), pp.13-19.
11. Dhal, S. and Patel, M., 2017. A Study on E-HRM Practices in different Public and Private Sector Industries. *Communications on Applied Electronics*, 7(10), pp.28-34.
12. Schramm, J., 2006. Hr technology competencies. *SHRM Research Quarterly*.
13. Mishra, M. and Chawla, D., 2014. Transformation of HR: Impact & Reverence in IT trends. *International Journal on Recent and Innovation Trends in Computing and Communication*, 2(11), pp.3686-3691.
14. Kadam, M.K.R., Correlation between Human Resource Practices and Information Technology.
15. Francis, H., Parkes, C. and Reddington, M., 2014. E-HR and international HRM: A critical perspective on the discursive framing of e-HR. *The International Journal of Human Resource Management*, 25(10), pp.1327-1350.
16. Lippert, S.K. and Michael Swiercz, P., 2005. Human resource information systems (HRIS) and technology trust. *Journal of information science*, 31(5), pp.340-353.