



# E-HRM PRACTICES AT AUTOMOTIVE INDUSTRY IN KARNATAKA-A STUDY

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## ABSTRACT

Due to rapid growth of management activities, there is no little chance for argument of the nation that people are one of the key assets focuses on the success or failure of an organization and hence the importance of the knowledge skill, attitude and behavior of those people for the betterment of the organization. People are the key assets that are capable of growth and development those people are nothing but human resource. During past 3 decades organizations have begun to embrace a “human asset approach” one that consider the money spent on integration with innovation in the workforce as an investment. As with any asset, by nurturing, protecting, and growing this investment, organizations that align workforce strategies with business goals and objectives will benefit from capturing and focusing the attention of workforce. The role of Human resources management continues to change, technology has continued to evolve throughout the management practices. Though the organizations do not have absolute power over their human asset they can make use of certain tools and techniques to exert some vital influence over the path towards better performance towards achieve mission of the organization. Nowadays organizations face strong competition, time to market pressure, globalization and demand for innovation indicating overall change and turbulence, every organization has increased their attention on knowledge as a dominant source of competitive advantage meaning of that the survival of organizations depends a lot on their ability to recognize new external knowledge.

**KEY WORDS:** E-HRM, E-HR, ESS, ERP.

## INTRODUCTION

Human resource management in the today's competitive world is undergoing metamorphosis changes. HRM is being influenced by geographical, demographic, economic social, legal ethical and very important technological factors. Today's 21<sup>st</sup> century is being witnessed with the help of ongoing changes that are forcibly place in the ICT. The beginning point of this research is the challenge of managing technological change in Human resource management in organization. Implementation of E-HRM is problematic and situations in which changes undertaken are shifting from conventional method of HR management to E-HRM practices. This is harder for organization and particularly HR managers as well as employees'. Here managers are the change agents to prepare for manage the changes in a ways that satisfy the demands of organization and employees'.

The E-HRM systems always assisting the implementation of HR strategies, policies and practices. According to Ruel et al 2014 organizations meeting their HR needs through web technology. If the organizations required to work with paperless and reduce manual task they have to transform the HRM practices to E-HRM practices. This required some changes in set of skills of employees. This transition from conventional Adoption of E-HRM policy has considerably impacted on every area of human resource management. According to Ashwathappa (2008:691), e-HR can provide more accurate and timely data for decision making in recruitment, promotion, training and development and performance appraisal. Organization moving towards E-HRM practices they are focusing on speedup the services and transaction process and effective tracking system. E-HRM enable the organization to execute and improve the efficiency of HRM practices by E-HRM. In automotive industry there is less contribution from female employees. From last decade the female workforce is doubled in automotive industry (wealth management services.com). Adoption of E-HRM policy is not in favor any employees' because this technology creating a gap between human relation in automotive industry. Both male and female employees opposed the transition of conventional Adoption of E-HRM policy in every aspect. Implementation of E-HRM brings a new way activity in HR functions. Irrespective of age, gender, experience and qualification of employees in automotive industry showing positive attitude regarding implementation but some of the aspects in HRM needs human relation and human presence. The workforce is motivated by human values and belief not by machine language. But E-HRM aim is to achieve clear objectives by implementing a specific E-HRM policies. Beer et al. 1984 highlighted four objectives of E-HRM as follows: high competence, cost effectiveness, higher congruence. As per the study it can be prove that E-HRM can bring down cost and focus on accuracy with in short time but there will be absence of human decision. This study shows the negative relationship with the gender, age, qualification, designation, but positive relationship with experience. In this study there no difference of opinion in employees' of automotive industry.

In case of E-Recruitment, E-Selection, E-training and development E-HRM plays a vital role in automotive

industry. The business world is suffering from a shortage of skilled manpower and companies are struggling to retain human capital (McKinsey and Company, 2001) this influence the organizations to induce the candidate to apply for the job through web technology. The ability to attract the high-quality human capital is considered to be competitive advantage (Bartam, 2000). To keep pace with the technological development most of the organization concentrating on recruitment approach through web portal of organization. Every organization have to develop sophisticated web portal to apply for job. But in the contradictory lack of human touch of face to face may by impact in measuring effectiveness of candidate. In developing country there will be lack of internet facility, potential candidates may be unwilling apply due to privacy issues and misuse of confidential data by companies. But evidence shows that E-Recruitment has its own merits and provides wider options to recruit potential candidate.

According to Bodea et al. 2003 usually it is a difficult to decide where recruitment ends and selection begins. In automotive industry selection of potential candidate is much influence on the performance of organization. Generally E-Selection analyses the candidates' performance and skill, personality which is suitable for specific job. In this study demographical factors such as Age, gender, experience, designation have positive opinion regarding E-Selection. Under the economical imbalance majority of companies stop their campus visit for selection of candidates. Online selection process is very significant from last decade. Every individual irrespective of gender, age, experience, designation, qualification can apply for the job and attend selection process from present organization through online selection process. The online selection

mechanism of every organization differs and depends on the requirements. Selection process means "cherry picking" from among qualified applicants to hire into an organization Gill 2001. In this global world every economy growing astonishingly with different sectors such as agriculture, service, manufacturing and other sectors. The automotive industry is one of the manufacturing sector which contribute wide range of revenue to economy. Automotive industry is a wide range of companies and organizations involved in the development, design, and manufacturing and marketing of motor vehicles, some of them are called automakers.

According to Elmer Sperry "automotive was created from Greek *autos* (self), and Latin "*motives*" (of motion) to represent any form of self-powered vehicle.

According to Kehoe et al 2005 the E-Selection process provides a range of important advantage over traditional system. This mechanism provides organization with greater number recruits, streamline the job analysis, to speed up the selection, development and assessment of selection procedures.

The adoption of technology in delivering human resource practices due to the digital revolution in the world Kovach et. al.. (2006). The need to update employees' knowledge, skills and abilities and better prepare them for challenges as our industry has turned into industry 4.0. This shows technological era. E-HRM is a standardized phenomenon and this required enhancement of employees' skill in technological. E-HRM focusing on accuracy, and time saving, cost save and impartial decision for everyone. In automotive

industry E-HRM push the use of HR function with good pace. In case of any grievances, problems and lack of information can be solved with minimum time duration. This system can support employees' in case of counselling, problem solving, and welfare support to the employees' within stipulated time. This system can reduce the cost and time save, no discrimination about age, gender, working position. In this E-HRM methods easy to access and check the disciplinary records and online capture of counselling, discipline and grievances records is easy. This enable the management to have a quick view reporting on disciplinary cases.

The main functions of Human resource management where information system can be used accurately and successfully which include employee records and management. Other records such as recruitment, selection, promotion, training job rotation, succession planning, compensation and management, S AKelkar (2003).

Attitudes towards E-HRM plays very important in automotive industry. The opinion about integration of technology may well moderated by the relationship between employees' and management. HR managers and line managers have citrine well framed group which shape the attitudes and change the mindset of employees' regarding transformational approach.

## RESEARCH GAP

The gap in this study identified in the literature is a lack of research in automotive industry in India. Only few conducted on E-HRM implementation in manufacturing and service sector banking sector, public and private sector industries, hotel industries, and in different universities. Majority of research study has been conducted to analyze the outcome of E-HRM practices but there is minimal studies on the perception of HR executives and employees' in automotive industry. This makes it difficult to analyses issues of causality in the relationship between E- HRM and perceptions of employees' in automotive industry in Karnataka. As the direction of the relationship depends on the theoretical perspective underlying the study design and testing the relationship empirically. Interestingly, as more and more organizations adopt E-HRM and complete their implementation.

## LITERATURE REVIEW:

**DeSanctis (1986)**, "The Role of Human Resource Information System in the Process of Manpower Activities" author revealed that the modern technology encouraging the organization to utilize human resource information is proper way. HRIS is perceived to contribute to the effective activities of man power in an organization. The study focused on two HRIS managers in the hospitality industry in greater region (GHANA) to find out the benefits and challenges for HRIS. It has revealed that HRIS identified unfilled positions, accurately analyzed each job position and its job title in the organization, providing insight into organizational training needs, selected the right persons to be trained at the right time, evaluated the effectiveness of training programs and made faster and better decisions about successor ranking. Also

said Organizations need to integrate HRIS with other organizational systems to facilitate speedily sharing of information and decision making.

**Wyatt (2002)** “The Net Effect: e-HR and the Internet” in this research article authors conducted a survey on issues of HR and technology and revealed that a wide variety of HR and payroll systems are being used today. The study also revealed web technology was the predominant

method for delivering HR-related services to employees’ and managers, and offers significant opportunities to improve communication, knowledge sharing and HR delivery systems

**Kovach et al., (2002)** “Administrative and Strategic Advantages of HRIS. Employment Relations Today” agreed and define E-HRM as the integration of technology in performing the human resource operation. Due to digital revolution the adoption of technology in delivering Human resource management and practices in an organization which employ and manipulate the performance and behavior of the people in the organization. E-HRM is a tool, which delivers the HR practices to achieve business success.

**Asha Nagendra et al., 2014** “Human Resource Information Systems (HRIS) in HR planning and development in mid to large sized organizations” the authors highlighted in their research about HR executives’ efficiency and awareness about technological phenomenon in organization. The research also found that HR executives well aware that they can increase the efficiency of HR planning through Information technology, saving time and cost. If implemented technological operation it adds strategic value and competitive advantage for documentation and strategic decision purpose. HR executives believed that managers can find detailed training and relevant for the situation in an organization and employees’ development. Sometime this required subsystem to avoid unnecessary malfunction in the execution and documentation. Organization must synchronize the business function with the relevant information technology.

**Chandra sinha (2015)** “The impact of E-HRM: a study of select Indian organization” researcher investigated that contribution of E-HRM financially is very difficult as implementation and operations of E-HRM is one of the important activities in which business solutions so difficult among different functions. As per the previous studies found that the use of E-HRM was focused by employees’ is highly determined the level of usefulness to HR function rather than easiness to use. It has been revealed that e learning for employees’ is must require for the employee self- service (ESS) and manager self-service (MSS). Administration of HR function and the deployment of the intranet and extranet in the field of recruitment being the main fields of E- HRM, that are facilitated by the E-HRM. The best contribution of E-HRM was found in knowledge management as it facilitates compilation and dissemination of explicit and implicit knowledge very effectively and efficiently. The change in workforce is hard nut to crack, but E- HRM has been a harbinger of change management

## NEED OF THE STUDY

This study focuses to find out level of readiness for implementation of E-HRM at levels of activity and identify the drivers and obstacles to adoption with in automotive industry. This study also focus on the

importance of E-HRM and use of electronic technology in its adoption by analyzing positive or negative perception of employees' about E-HRM process at different levels. The study describes in the title itself that E-HRM practices in automotive industry.

## STATEMENT OF THE PROBLEM

With increased competition in market, there is a need that automotive industries are able to easily and rapidly adapt and adjust to changes as well to gain a competitive advantage and outcome of changes. Generally, companies integrate technology in their human resources management to increase performance and reduce costs. The bright prospect for HR to add value to organization is playing significant role in implementation of several strategy. Many researchers argued that HR should move to the role of strategic innovative partner in addition to the performing administrative and transactional role. Use of technology in HR is believed to be an opportunity for everyone in organization. It is believed that adoption of E-HRM has gradually decreases the number of HR in an organization.

Many HR experts have identified the role of E-HRM and compilation of applications which help to integrate information and mechanism at different levels between HR and IT departments. The E-HRM is to create value for managers and employees' within an organization. Since 2010 E- HRM is relatively new concept in automotive industry, very few large scale organization implemented E-HRM but not in three levels. The main advantage of E-HRM are increase the quality and speed of work in administration and also outside the organization. Employees' must adopt technology in their routine work and get motivate from organization as "employee champion" with "change agent" as HR. this study conducted about the determinants of HR and employees' perception about E-HRM in automotive industry.

## SAMPLE SIZE:

**Table 1.0 Sample size distribution**

SL. No	Name of the company	No. of employees	Percentage
1	Tata Marcopolo Motors Limited, Dharwad	181	21
2	Toyota Kirloskar Auto parts Pvt Ltd	221	25.6
3	Bosch Automotive Electronics India Private Limited, Bengaluru	146	16.93
4	TVS Motor Company, Nanjanagudu	52	6
5	JK Tyres and Industries, Mysore	167	19.37
6	Volvo Group India, Bangalore	95	11
	<b>Total</b>	<b>862</b>	<b>100</b>

(Source: Primary data)

## Objectives of the study

1. To examine the relationship between demographic factor and adoption of E-HRM policy in automotive industry.

2. To examine the relationship between demographic factor and Implementation of E-HRM in automotive industry.

## HYPOTHESES

### Hypothesis 1

H<sub>0</sub> (Null Hypothesis): There is no significant relationship between Demographic factors and Adoption of E-HRM policy in automotive industry.

H<sub>1</sub> (Alternative Hypothesis): There is a significant relationship between Demographic factors and Adoption of E-HRM policy in automotive industry.

### Hypothesis 2

H<sub>0</sub>: There is no significant relationship between demographic factors and implementation of E-HRM in automotive industry.

H<sub>1</sub>: There is a significant relationship between demographic factors implementation of E-HRM in automotive industry.

**Reliability Statistics:** Before analysis of the data collected through questionnaire it is necessary to measure the internal consistency and stability of the constructs. Therefore reliability test is conducted using SPSS tool. Reliability is the ability to produce consistent measurements each time (Kumar, 2014).

**Table 1.1: Reliability Statistics**

Cronbach's Alpha	No. of Items
0.936	80

(Source: Primary Data)

Table 1.1 clearly defines the Cronbach's Alpha Coefficient reliability test was 0.936. This shows that the reliability is above 0.70, which means there is good consistency in the scale data (Brace et al, 2012). It can be assumed from the results that further parametric and non-parametric analysis can be conducted.

**Table 1.2 Analysis of Demographic factors with Adoption of E-HRM policy**

	Mean	SD	Correlation 'r'	Sig. Value	P-
Gender	1.2007	0.40075	0.097**	<b>0.004</b>	
Age	2.3852	0.92966	0.077*	<b>0.024</b>	

Designation	1.7552	0.43021	0.037	0.275
Qualification	2.2517	1.08005	0.129**	<b>0.000</b>
Experience	2.5128	1.07628	0.066	0.054
Income level	2.4722	0.57314	0.032	0.350

(Source: Primary data)

The table 1.2 represents the Mean, SD, and Correlation to find the central tendency and relationship between demographic factors and Adoption of E-HRM policy of automotive industry in Karnataka. as per the analysis the gender factor is statistically significant with P-Value 0.004 which is less than the significant value (0.05). There is difference in perception among gender with mean value of male is 2.2525 and female respondents mean is 2.0393.

The employee age factor also statistically significant with P-Value 0.024. With correlation is positive 0.077. There is difference in perception among different age group regarding adoption of E-HRM.

The relationship between employee qualification and adoption of E-HRM is positive with correlation 0.129 which is statistically significant with P-Value 0.000. This shows there is statistical differences in perception among different qualification group of employees. The other variables such as designation, experience and income level of an employee is not statistically significant with P-values greater than the 0.05. There is no significant difference in perception of employees among different designation, different experience and different income group of employees.

The above analysis shows that the null hypothesis ( $H_0$ ) rejected and alternative hypothesis ( $H_1$ ) accepted in the case of Gender, age, and qualification. There is significant difference between genders, age, and qualification towards adoption of E-HRM in automotive industry.

In case of designation, experience and income level, towards adoption of E-HRM policy the null hypothesis ( $H_0$ ) accepted.



**Table 1.3 Analysis of Demographic factors with Implementation of E-HRM**

	Mean	SD	Correlation 'r'	Sig. P- Value
Gender	1.2007	0.400 75	0.030	0.383
Age	2.3852	0.929 66	0.041	0.230
Designation	1.7552	0.430 21	-0.031	0.361
Qualification	2.2517	1.080 05	0.020	0.557
Experience	2.5128	1.076 28	0.017	0.624
Income level	2.4722	0.573 14	0.010	0.768

(Source: Primary data)

Table 1.3 shows that there is no statistical significant between demographic factors and Implementation of E-HRM in automotive industry. The gender P-Value 0.383. Age P-Value 0.230, designation P-value 0.361, qualification P-Value 0.557, experience P-Value is 0.624 and employee income P-Value 0.168. These results shows there is no significant relationship with Implementation of E-HRM. according to this the Null hypothesis( $H_0$ ) accepted.

### **FINDINGS:**

Based on the analysis chapter, it is found that there is a significant relationship between gender and Adoption of E-HRM policy at the time of implementation in industry. From the analysis gender correlation coefficient value is negative 0.097. It shows negative relationship with p- Value 0.004 this shows relationship is statistically significant. There is smaller influence of gender on Adoption of E-HRM policy i.e., 9.7%. According to this analysis there is difference in opinion among male and female employees' regarding implementation of E-HRM in every aspects of Human resource management. Based on the findings it shows that there is positive relationship between age and Adoption of E-HRM policy in automotive industry. The correlation coefficient is positive 0.077 and it is statistically significant with P value 0.024. Influence of age factor on the Adoption of E-HRM policy is smaller i.e., 7.7% only. In this study there is difference in opinions between different age group, this is statistically proved with P-value is

0.000 less than 0.05. According to this study the age between 20 to 30 and 31 to 40, respondents are not happy with in Adoption of E-HRM policy.

### **CONCLUSION**

In this study we examined the relationship between demographic factors and the different dependent variables such as Transformation of Adoption of E-HRM policy, Implementation of

E-HRM, E-Recruitment, and E-Selection, E-training and development and E-HRM as a support system for employees'. In relation to this study found that gender has significant negative relation with Transformation from Adoption of E-HRM policy. In automotive industry the contribution of female is very less (approximately

16%), the employees' of automotive industries have similar opinion regarding transformation to E-HRM. employees' satisfaction is more important in every industry, in this study it indicates that automotive industry must change the mindsets of employees' and make them to change according to changes in technology. There is strong rejection for E-HRM due to unclear information to employees'. Lack of communication between management and employees' creating gap regarding transformation. Automotive industry must explain clearly about the role and benefits of E-HRM to every employees'.

Automotive companies must take steps to provide sophisticated infrastructure for E-HRM practices. According to this study the role of HR managers will be moving with technical oriented. The mindset of the HR managers is very negative towards E-HRM because they revealed that E-HRM practices affect the role of HR managers. But E-HRM provides the HR managers to move more strategic role for HR function (Marler, 2009; Martin et al, 2008; Ruel et al, 2004). The fact that E-HRM allows HR function to focus on the delivery of HR strategies rather than transactional activities (wage, salary, compensation). Automotive industry increasing its value to the organization and providing a more significant contribution to the competitive advantage of the organization.

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