

Chapter 7

Electronic Human Resource Management (e-HRM) in a South African Organization

Mampilo Phahlane

University of South Africa, South Africa

ABSTRACT

Information technology (IT) has become a daily part of our lives. Organizations have adopted IT for its supposed benefits and transformed the way they conduct business. Human resource management (HRM) is not exempt from changes brought by the adoption of technology within organizations. The intersection between HRM and IT is often referred to as e-HRM, and is essential for organizations because of its encouraging effect on staff productivity. Organizations in South Africa have adopted e-HRM to better manage their HR processes and activities; however, not much is known about their capabilities once adopted and are in use. This chapter's objective is to discover and understand how a typical South African organization uses e-HRM as an enabler for HR to be a strategic partner. TOE framework underpins this study. Data was collected using open-ended, semi-structured interviews from HR personnel e-HRM has the capability to handle complex environments with differentiated contracts. The study concludes that the environment plays a huge role in what happens to the e-HRM in an organization.

INTRODUCTION

People are at the core of every organization, and therefore, it is essential that organizations recruit, hire and retain potential employees to assist with meeting organizational objectives (Laumer et al. 2010). Human Resource Management (HRM) departments are tasked with the responsibility of recruiting, hiring, and retaining these employees, and manage employee related responsibilities such as employee performance, training, employee relations, payroll, and fostering a safe working environment (Stolt 2010). HRM is defined as a method for strategically overseeing the organization's most valuable assets, the people who contributes to the business's success individually or collectively Stolt (2010). Human resource manage-

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ment should be viewed as an extension of the traditional view of managing people effectively and for that requires knowledge of human behaviour and the ability to manage it (Ulrich, 1998). Opatha (2009) assert that HRM has historically been critical to an organization's performance improvement HRM is the efficient and effective use of HRs to accomplish an organization's goals. There is a strong correlation between organizational effectiveness and HRM.

The introduction of information technology (IT) in organizations has resulted in certain developments which affect the HR function directly. This development has created new era of HRM known as Electronic Human Resource Management (E-HRM) that radically engineered HR practices and strategies to compete in an ever-changing environment. E-HRM is referred in other names such as HRIS (Ruel et al., 2007; Strohmeier, 2007), HRIT (Burbach, 2011), talent management system (Kavanagh and Thite, 2008) which is defined as the use of ICT that may be employed to assemble, store, and analyse HR-related information in an organization. So, e-HRM is an umbrella term covering all possible integration mechanisms and contents between HRM and Information Technologies aiming at creating value within and across organizations for targeted employees and management (Bondarouk and Ruël, 2009).

The current e-HRM literature distinguishes three types of e-HRM: operational e-HRM, relational e-HRM and transformational e-HRM. These distinctions are based upon the work of Lepak and Snell (1998) who distinguished operational HRM, relational HRM and transformational HRM. Operational HRM is about employees keeping personal data up to date through an HR web site, relational HRM is about supporting business processes, and transformational HRM is about the HR function alignment to the organizational strategy (Wright and Dyer, 2000). This study objective is to discover and understand how a typical SA organization uses e-HRM as an enabler for HR to be a strategic partner. As already mentioned, e-HRM and human resource information systems, or HRIS are essentially the same or similar and literature use them interchangeably to mean one or the other (Bondarouk and Furtmueller, 2012).

However, HRIS is defined as "a system used to acquire, store, manipulate, analyse, retrieve and distribute pertinent information about an organization's human resources" (Kassim et al., 2012). Three goals were identified for organizations introducing HRIS, namely, cost reduction, improvement of HR services and improvement of HRM strategic orientation (Bondarouk et al., 2017). The same could be said about the implementation of any e-HRM in an organization, that is to assist with automation, and overall improvement of HR services to other employees in an organization. The rest of the paper is structured as follows: e-HRM literature is discussed, followed by the research problem, e-HRM underpinning theories, the underpinning framework, the research methodology and discussion of findings and conclusion.

E-HRM Literature

Ruël et al. (2006) studied e-HRM contribution towards HRM effectiveness and concluded that the quality of e-HRM is positively related with technical and strategic HRM effectiveness. Marler (2009) discussed whether e-HRM makes HR functions more strategic by conceptualising a model that shows how the formulation of e-HRM goals that guide e-HRM implementation are unlikely to make the HR function more strategic or achieve competitive advantage. Parry and Tyson (2011) discussed desired goals and actual outcomes of e-HRM related to operational, relational and transformational goals and concluded that the potential goal for e-HRM is to standardise HR processes across an organisation. Bondarouk and Ruël (2013) studied the strategic value of e-HRM in a government entity and concluded that e-HRM

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