ROLE OF E-COMMERCE INITIATIVES IN DEVELOPMENT OF HUMAN RESOURCES IN INDIAN INDUSTRIES

Dr.D.SUDHAKAR

Academic Consultant in Commerce, School of Commerce and Management, Dravidian University, Kuppam, Chittoor District, Andhra Pradesh Pin code: 517426,

Dr.K.RAMBABU

Teacher, Z.P.P.H.S., Antervedipalem, Sakhinetipalli Mandal, East Godavari District, Anadhra Pradesh,

Pin code: 533251.

ABSTRACT

The whole world has become a global village and when communication across the globe is on a galloping speed. HR has to adopt itself to the speed and match the requirements of the time. Electronic revolution has permeated every aspect of any business. Therefore the need for HR professional to integrate with the internet, intranet and extranet has emerged. e-HR policies and practices to ensure smooth operations of the organizations now and then. This technology supports the HR function to fulfill the HR needs of the organization through web – technology- based channels. The objectives of the study are focused recruiting, training, performance appraisal and compensation apart from disseminating routine information pertaining to HR policies on the electronic platform. With the integration of the Indian organization with the global economy, the employees are also becoming more aware and sophisticated with the advent of e – commerce. To achieve the objectives of the study, necessary data was collected from secondary sources.

Key words: e-Recruitment and Selection, e-Compensation, e-Training and development, e-performance appraisal

INTRODUCTION

E-HRM is a way of implementing HR strategies, policies, and practices in organizations through a conscious and directed support of and 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.

The e-HRM business solution is designed for human resources professionals and executive managers who need support to manage the work force, monitor changes and gather the information needed in decision-making. At the same time it enables all employees to participate in the process and keep track of relevant information.

Some of the most obvious changes found in the move from traditional business to e-business include the rapid speed of accessing information, the greater availability of information, and the increasing speed with which business can be conducted, and reduction in the effects of geographical distance on methods used to conduct business. However, the move to e-business, which has been described as a move to a new economy, goes beyond using the Internet as a tool. The changes require modifying the way in which business is conducted and success is measured.

E-business redefines traditional business models. It uses a business strategy employing digital media and network technology in order to optimize customer value delivery. It utilizes Internet-based computing, which supports the open flow of information between systems. E-business uses business portals (established over the Internet) to interact with customers. Technology is used as the actual cause and the driver of the business strategy so that the product or service is developed, better choices are provided to the customer, and delivery options are enhanced (Karakanian, 2000).

Recruitment and Selection

Today, trend in recruitment is the "e-recruitment". Also known as "online recruitment", it is the use of technology or the web based tools to assist the recruitment process.

Thus staffing is a vital activity. Staffing facilitates the supply of employees. These employees are needed to fulfil the Organizational goals and objectives by their effective and efficient performance. And recruitment is a logical step in this staffing process. Recruitment is the process of creating huge pool of potential candidates. It attracts the prospective employees and stimulates them to apply for job. The function of it mainly concentrates on two aspects. First is discovering the sources of manpower to match the job description and job specification. Another is to pull the application of potential candidates to make the selection process successful. The process is generally carried forward by the recruiters.

Using internet prospective applicants could search for positions in which they were interested. Contact with employers directly is viable. Feasibility of email overruled the use of telephone, fax or mail and the companies started accepting application through email. Today Organizations have their own sites or job postings are given in the placement sites. Again the candidates can visit the sites, post resume, and contact the company directly without any delay. All these are just one 'click' away. E-recruitment is a tool for many employers to search for job candidates and for applicants to look for job. Recent trend of recruitment is e-recruitment or the internet recruitment or on-line recruitment, where the process of recruitment is automated.

Recruitment and selection are extremely important for e-business in order to find the people unfortunately; recruitment and selection are more difficult for e-business than for traditional business. Growth can be very fast, and there is a shortage of certain skills. Recruitment and selection must be completed quickly in order to satisfy the needs of a rapidly changing e-business. The traditional recruitment process is followed by a selection system used to identify the best recruit from a field of possible employees. If employers choose to follow this traditional process, they often will lose the best recruits.

The selection process in e-business often must use a decision process focusing on the minimum necessary qualifications, rather than taking the time to identify the best possible recruit. If an e-business can identify a recruit who possesses the minimum necessary qualifications, a successful e-business may optimize its selection process by immediately extending a job offer. If the e-business takes the time necessary to evaluate all possible recruits and identify the best possible one, the best recruits may have accepted other job offers or no longer be interested in the job for other reasons.

Compensation

Today, the majority of companies pay their employees incentives that reflect individual contribution, stock options based on individual contribution, and salary increase based on a number of factors. Because the compensation is role-based the web-based application should know who is the manager and to whom the employee reports and manager. The system automatically generates graphics that depict the distribution of the desired distribution.

The most obvious problem concerns the continually escalating salaries needed to attract and retain employees with much needed and difficult-to-find skills and knowledge. E-business faces many challenges related to compensation. The increased demand for e-business skills, combined with the shortage of employees with these skills, has resulted in booming payrolls.

If employers use compensation as the only way to attract and retain employees, the resulting environment includes a bidding war in which employees are constantly changing employers every time they receive a new offer. A better strategy is to keep track of market rates while carefully identifying the other reasons for employees' decisions to join or leave an employer. Also, alternatives such as retraining current employees actually may be more efficient in the long run than trying to compete with other employers through compensation alone.

Compensation packages for e-business may include many different forms of compensation. In addition to standard compensation items such as salary and signing bonuses, e-businesses try to offer other types of compensation that employee's value.

Compensation planning

- Performance versus position-in-Range Matrix

- Planning base new base salaries

- Planning new variable compensation

- Planning stock compensation awards

- Approving compensation plans

Web- Based Total Rewards Linkages

Compensation plan is the overall total rewards programme; it should be delivered as fully integrated programme. This means that the plan should be accessible from the HR home page as a major hyperlink and should be labelled. Although every organisation's total rewards programme is unique, delivering these new attributes on the internet uses the web's powerful presentation capabilities to the sponsoring company's advantages by linking all these components in order to promote retention, loyalty and pride.

The corporate intranet has become an important source of employee information, replacing traditional communication methods in many companies. Employees' websites give employees more control over their employment relationships, enabling them to check on company news, stock performance, benefit opportunities, career opportunities, and total compensation.

Training and development

E-business' rapid change and the sophisticated technology mean that continuous and extensive training and development is necessary. However, successful training and development for e-business goes beyond increasing the speed of training and develpment and including new content. Even employees who are not directly involved in the "e" part of e-business must constantly be retrained in order to keep up with the latest technology.

High on the list of contribution workers make to their organisation are those that come from their knowledge base. Training is an activity, learning is a personal result, but development is the ultimate result for the employees and the organization. Training must prove to the organisation that it produces results. There are four contribution to employee

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development, namely, training coaching, mentoring and on-the-job Training, communities of practices, and organisation-wide Learning communities. Most computer based training despite the hype given to it recently, is still training. Its goal is to impart predetermined knowledge. It uses an anytime, anywhere classroom, but it still individualistic and imparts intellectual content, with perhaps a bit of skill-building and motivation thrown in. The future of training is almost certainly web based, at least for those courses with wide audience appeal and need to know information. But four elements are required for distance learning to work its promised wonders in corporation.

- A workforce accustomed to technology-based learning
- A recognition and reward system that validates learning on some concrete way
- A high priority given to learning
- Some way to substitute for the group work and interactivity

Communities of practice can be fine substitute for this as can distance teams working on real problems. People on the job ask for advice read an article recommended by anothr worker or discuss a problem and learning takes places. When informal learning involves a more experienced employee it is coaching, if task related, or mentoring if it concerns the general increase of skill valued in a particular company. Formal training and helps foster the learning environment required in world of frantic competition.

Performance Appraisal

The use of e-HR technology is aimed to improve the HR system particularly performance appraisal system. Automation of the system can result in faster response and action on meeting organizational and individual development needs. It provides increased choices and opportunities to employees to seek on performance at their convenience, browse through career, training and mobility opportunities available in the organisation and assess their compensation plans and options, and improve knowledge sharing with peers working at distant or overseas units of the organisation. The impact of e-HR technology on the performance appraisal system is expected to be dependent on the way the technology is used.

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E-HR provides immense benefits such as shortening of process time and saving on manpower, which improves cost effectiveness. However, there are different negative impacts also. The traditional social task of the HR department suffers under the increasing distance that e-HR cause with its virtual online processes. The partial loss of face-to-face communication is often rated negatively by the employees. Also the HR staff is affected by the changes in the HR processes. The ongoing automation of formerly time consuming tasks leads to long-term manpower cuts in the HR department. With a de-motivated HR staff due to the anxiety to lose his own job, an implementation of e-HR is often challenging for the top management.

Performance appraisal system that help to create and sustain a high performing organisation are well integrated into strategies and programmes like rewards programmes, managing out systems, leadership development and succession planning, annual operating cycles and retention system. Especially in 360 degree appraisal system where vendors, customers and other stakeholders are involved to assess, the ubiquity, interactivity contact capacity and on-line timeliness of the web, together with a "portal" approach to assessment system design that presents each user with just what they need to participate effectively in the process, provides a path out of this administrative complexity.

Conclusion

Electronic commerce technologies are changing the way that a work task are conducted and thus has significant implications for the way organisations manage their human resource functions. Although the impact of electronic on work and employment has been the subject of research, little attention has been paid to electronic commerce and its effect on work organisation and HR management. This paper examines existing literature on how ecommerce technologies have shaped workplace management. Traditional methods should not be replaced by the e-commerce, it should supplement. The loopholes of e-HR technology can be covered by the traditional methods and process will be faster, global due to e-commerce. Electronic plat-form is now the important significant success factor for global presence of organization and it requires a much broader viewpoint even for the most common HR activities and to deliver considered capabilities and organizational excellence.

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