

E-HRM: PAIN OR GAIN FOR HRM EFFECTIVENESS

Felix Pratamajaya Kwan¹, Leonardus Riko Hermawan², Nadhilah Hafizhi³

¹Business Management Binus Business School

²Business Management Binus Business School

³Business Management Binus Business School

^{1,2,3}Jl. Hang Lekir I No.6, Senayan, Jakarta, Indonesia

Email: kwanfelixp@yahoo.com, leonardus.rikohermawan@gmail.com, nadhilahhafizhi@gmail.com

Abstract

Nowadays, technology has a huge impact on helping human working activities. E-HRM practices such as e-recruiting, e-learning, workforce planning, e-income tax, e-salary, mobile absent, etc. can be seen as activities that help the organization to meet their objectives. This study will explain factors HRM effectiveness through UTAUT analysis of E-HRM in the organization. We assume that E-HRM will help the organization by increasing its effectiveness. We are measuring eight company with E-HRM implementation. Using a quantitative method, we collect data with a questionnaire at eight companies in Indonesia, Structural Equations Modelling (SEM) being used in this research. The result analyzed from questionnaire shared to our respondent showed performance expectancy and social influence has a positive effect on e-HRM usage. E-HRM usage with behavioural intention as a mediating variable also serves a good effect on e-HRM effectiveness. However, performance expectancy not really affect E-HRM usage through behavioural intention as a mediating.

Keywords: E-HRM, UTAUT, effectiveness, HRM effectiveness

I. INTRODUCTION

Organization are being challenged to become more flexible in every aspect. One of the most challenging department is HR. HR had to respond to increasing competition for global talent and workforce, shifts in employer relationship and rapid advances in technology [1.]. A number of HR processes, such as human resource planning, performance management, training and compensation would be managed efficiently to provide a piece of better information for managerial decision.

Recently, technology has become an important part of our daily life. In our everyday working environment, technology has become a core function in helping to accelerate the growth of organization business. Moving towards the globalization era, the world has already become more complex, dynamic, and uncertain [2]. The Organization should increase their competitiveness and being innovative to stand out against its competitor. Agility to adapt to the rapid global competition and changes in technology aspects becoming one of the most important things to survive in this era.

HR department transforms themselves to manage HR information and processes better through E-HR. The new systems have enabled HR professionals to provide better service, reduced the administrative burden in the field, and provide organizational stakeholders with access to HR information and specific HR functions via the Internet or intranets [3]. For example, a massive number of recruitment document could be managed in such an easier way, reducing manual paper recording which consumes a lot of time and place.

As globalization continues, effective HRM becoming increasingly important [4]. The “ongoing”

electronization of HRM has brought a major change [5]. It is becoming the ultimate key for organization success. E-HRM defined as the application of IT for HR practices which enables easy interaction within employee and employers, by storing valuable information such as company payroll, employee data, training, recruitment [6]. E-HRM manage data efficiently, so that the organization doesn't have to spend a lot of time and many capturing on managing workforce data. E-HRM integrating data into valuable insights and helping workforce analytics for workforce planning, management and improvement of business performance, assessing learning and development for increasing quality of the workforce, ensuring and catalyzing all employee and workforce retention programs, and also monitoring payroll and employee's compensation [7]. E-HRM contribute to the organization by creating a value creation through the system and information which provide valuable HR data.

E-HRM needs to be structured to achieve the four strategic charges of enhanced efficiency, flexibility, strategic focus, and customer-responsiveness for an organization [8]. E-HRM needs to contribute to the organization in making steps forward, E-HRM goals to help the organization will be: improving the strategic orientation, cost reduction and efficiency gains, and the last is improving HR service for management and employees [9]. This research will attempt how E-HRM implementation will bring more competitive advantage for the company in this digital era. E-HRM still continue to develop, since there are still unanswered questions.

E-HRM adoption helps the company in achieving their goals. The adoption in General Electric

(GE) company helped in recruiting and retain top talent, within 2 to 6 weeks versus an average of 10 to 15 weeks. An agile approach is typically used in software development to operate with speed and manage unpredictability [10]. In addition, Kate Guarino director of human resources operation Pegasystem Inc. stated E-HRM eliminate low value added at a task and increasing strategic works [11].

Same circumstances are trending in Indonesia, many companies are using E-HRM to help them managing human resources daily practice. As this phenomenon is developing in Indonesia, our research will give a brief explanation about E-HRM adoption and their effect on HRM effectiveness. Few studies linked about E-HRM adoption and organization objective. Past literature either explain about the usage and behavioural intention of the system or main goal of E-HRM usage without linking relationship between the findings. Our research employing UTAUT model in [12] to identify the main factors that lead to the successful adoption of E-HRM in organizations, in order to increase HR functions and achieve HRM effectiveness.

1.1. Problem Statement

Previous literature and research explored the outcomes, value creation, and objectives of the E-HRM activities. E-HRM helps the organization by reducing the organizational costs, increase interaction between managers and employee, enhance productivity through faster processing, creating a better work environment, and reduce mistakes of HR decision [1.]. Agreed with previous research, E-HRM improved better and faster communication among all employees, and also reduced organizational cost [2]. In line with Findikli and Bayarcelik [2], Abedi [13] also found that E-HRM has a significant positive relationship with the effectiveness of human resources. This research also confirmed the positive relationship between the effectiveness of human resource with the quality of human resource itself, perceiving the usefulness of E-HR system, ease of use of E-HR system, and cooperation & involvement of employees in E-HR system.

There are some research about E-HRM affect the HR function, one of the research is written by Parry ([14], [15]). This journal has a result show that E-HRM allows the HR function to increase value, a measure of E-HRM use for sophisticated functions such as e-recruitment may have a very different impact compared to administrative tasks such as absence or payroll. Another research of E-HRM is written in [16] which conduct to find employee reaction about technological advancements especially E-HRM. E-HRM improve stability and gain profitability, and increasing HR performance. This research found a way to enhance employee reaction or attitude towards using E-HRM which need a good and effective training program (improve efficiency, profit for company and job effectiveness). Previous research proves that E-HRM

acceptance helps organization managerial level HR decision, promote providing services, promote human resources activities quality, and help manager to manage employee organization efficiency [17]. E-HRM technology adoption helps the organization manager to eliminate doing organization ordinary task and follow strategic target from an organization [17].

To summarize, E-HRM improved communication among employees ([1.], [2]). E-HRM increase human resources management effectiveness was found in ([2], [13], [18]). However, previous literature limited to describing the actual usage or employee's pattern on using E-HRM. Past literature either explain about the usage of E-HRM or describing the objective of E-HRM adoption, without linking the relationship between the findings. Our research will be using the UTAUT model to describe the further relationship between E-HRM system, its actual use, and HRM effectiveness.

1.2. Research Question And Research Objectives

Our research will measure E-HRM effectiveness through E-HRM usage using the UTAUT model (unified theory of acceptance and use of technology) as in [12]. This model identifies the most common determinants, they are performance expectancy, effort expectancy, and social influence, which affect behavioural intention and actual usage.

Based on the above discussions, research questions for this research would be:

1. Is there any relationship between employee's performance expectancy and employee's behavioural intention in using E-HRM?
2. Is there any relationship between employee's performance expectancy and the use of E-HRM in HR department?
3. Does behavioural intention mediate the relationship between employee's performance expectancy and the use of E-HRM?
4. Is there any relationship between employee's effort expectancy and employee's behavioural intention in using E-HRM?
5. Is there any relationship between employee's effort expectancy and employee's behavioural intention in using E-HRM?
6. Does behavioural intention mediate the relationship between employee's effort expectancy and the use of E-HRM?
7. Is there any relationship between employee's social influence and employee's behavioural intention in using E-HRM?
8. Is there any relationship between employee's social influence and employee's behavioural intention in using E-HRM?
9. Does behavioural intention mediate the relationship between employee's social influence and the use of E-HRM?
10. Does employee's behavioural intention is positively related to the use of E-HRM?

11. Does the use of E-HRM is positively related to the effectiveness of HRM?

The objective of this research would be:

1. To determine the relationship between employee's performance expectancy and employee's behavioural intention in using E-HRM.
2. To determine the relationship between employee's performance expectancy and the use of E-HRM in HR department.
3. To examine behavioural intention relationship with employee's performance expectancy and the use of E-HRM.
4. To determine the relationship between employee's effort expectancy and employee's behavioural intention in using E-HRM.
5. To determine the relationship between employee's effort expectancy and employee's behavioural intention in using E-HRM?
6. To examine behavioural intention relationship with employee's effort expectancy and the use of E-HRM.
7. To determine the relationship between employee's social influence and employee's behavioural intention in using E-HRM.
8. To determine the relationship between employee's social influence and employee's behavioural intention in using E-HRM.
9. To examine behavioural intention relationship with between employee's social influence and the use of E-HRM.
10. To determine the relationship between employee's behavioural intention and the use of E-HRM.
11. To determine the relationship between the use of E-HRM and the effectiveness of HRM?

II. LITERATURE REVIEW, THEORITICAL FRAMEWORK, AND HYPOTHESES

2.1. E-HRM

Virtual HR helps a company to deliver training program, such as language training, safety training, time management training, basic skill training, virtual HR expected to reduce cost from company expense if they do all this training using external side [8]. E-HRM is an application of information technology to define as planning, the implementation for networking and supporting two or more people on their HR activities [1.]. E-HRM would enhance productivity through faster processing, better work environment, reduction in mistakes or error, sharing of reliable information quickly, and allow better and faster communication among all involved user [1.]. E-HRM provides a new opportunity for the HR function to contribute to organizational effectiveness [19]. E-HRM also define as the administrative support of the HR function in organizations by using internet technology [20].

Effectiveness of E-HRM can be measurable by the level of commitment, development and change that the employee shows in their response and acceptance to HRM practice [21]. In the context of E-HRM, capability of employer to get some same result with less effort and less cost by using web-based internet technology in terms of giving some information, training, knowledge, and other HR function to the employee in the fastest way is the main purpose of efficiency in E-HRM [22].

The goal of a company making a step forward by using E-HRM defined in [9]. They conclude company goals into 3 main goals:

1. Improving the strategic orientation of HRM
2. Cost reduction and efficiency gains
3. Client service improvement and facilitating management and employees.

2.2. Unified Theory of Acceptance and Use of Technology Model

Unified Theory of Acceptance and Use of Technology (UTAUT) is a technology acceptance model developed by Venkatesh et al. [12]. This model combined theory of reasoned action (TRA), technology acceptance model (TAM), motivation model (MM), theory of planned behaviour (TPB), combined TAM & TPB, model of PC utilization (MPTU), innovation diffusion theory (IDT) and social cognitive theory (SCT) to obtain a unified view regarding the acceptance of the latest technology.

UTAUT has three determinants which affect user behaviour, they are performance expectancy, effort expectancy, and social influence through behavioural intention as mediator. The three determinants which affect user behaviour with behavioural intention as a mediator are the most common determinants. Another determinant is facilitating condition which directly affects user behaviour. Facilitating condition moderates by gender, age, experience, and voluntariness. According to the UTAUT, performance expectancy, effort expectancy and social influence are theorised to influence behavioural intention to use the system, while behavioural intention determines system use [23].

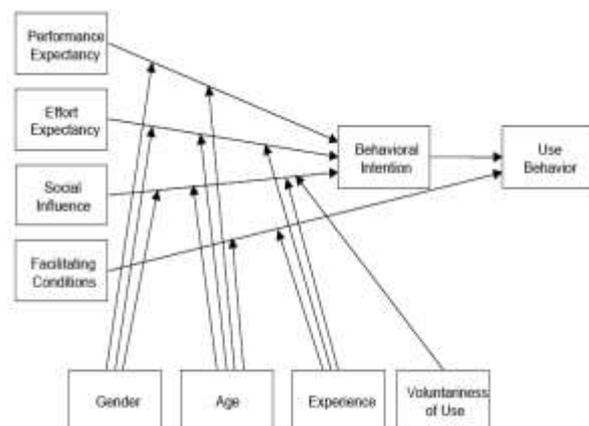


Figure 1. UTAUT Model

2.2.1. Performance Expectancy

Performance expectancy is the strongest predictor of intention [12]. Performance expectancy is intended to measure a person's level of trust that by using the system can help someone in achieving work performance [12]. It is also means that people usually adopt new technologies, when they believe that the technologies will help them to do their task or perform their job. Performance expectancy constructs from five different models, they are perceived usefulness from TAM/TAM2 and C-TAM-TPB model, extrinsic motivation from MM model, job-fit from MPCU model, relative advantage from IDT model, and outcome expectations from SCT model [12].

2.2.2. Effort Expectancy

Effort expectancy is the degree of effort each individual in using a system to support their work. Effort expectancy constructs from three different models, they are perceived ease of use (TAM/TAM2), complexity (MPCU), and ease of use (IDT) [12]. Perceived ease of use is a concept from the Technology Acceptance Model [24], while complexity is a construct based on the MPCU model [25].

2.2.3. Social Influence

Social influence is defined as the degree to which an individual perceives that important others believe he or she should use the new system [12]. Social influence constructs from subjective norm, social factors and image. Subjective norm was being used in C-TAM-TPB ([26], [27]). Social factors constructed from PC Utilization Model in [25]. The last concept is image, which understood as the perception that the use of a new technique or technology will upgrade a person's image or social status [28].

2.2.4. Behavioural Intention

Behavioural intention define as desire or a purpose of the actual use [28]. Behaviour has a direct impact to the actual usage. Behaviour affect the actual use of a system by their user. As the time goes by, user intention of using a system could change.

2.3. E-HRM usage and HRM effectiveness

E-HRM adoption increase the effectiveness of an organization. E-HRM adoption improving service delivery, so that increasing the company's effectiveness. Improvements to HR service delivery achieved by the increase of data entry accuracy or by simplifying processes [29]. As stated in Findikli and Bayarcelik [2], that E-HRM improved better and faster communication among all employees. As an addition, Abedi [13] found that E-HRM has a significant positive relationship with the effectiveness of human resources. With those assumptions, this research made to see the relationship between the use of E-HRM and HRM effectiveness. E-HRM is considered to be able to provide benefits by increasing the effectiveness of the organization.

Research from Kohansal, Sadegh, & Mina [17] proves that E-HRM acceptance helps organization managerial level HR decision, promote providing services, promote human resources activities quality, and help a manager to manage employee organization efficiency. This research using E-HRM acceptance as an independent variable, to measure E-HRM value creation.

In this research, the UTAUT model was adopted to explain user behaviour on E-HRM usage. The analysis describe the further relationship between E-HRM system, its actual use, and HRM effectiveness. UTAUT model being used to obtain a unified view of E-HRM acceptance and usage. An additional assumption to UTAUT would be to assume that the behavioural intention to use the system serves as a mechanism through which performance expectancy, effort expectancy, and social influence affect E-HRM use [23]. Based on the UTAUT model, there is a direct relationship between behavioural intention and E-HRM usage. So that, performance expectancy, effort expectancy, and social influence impact E-HRM usage through behavioural intention as mediator.

There are seven constructs that have a direct impact on user intention or usage [30]. Performance expectancy, effort expectancy, and social influence included on this construct.

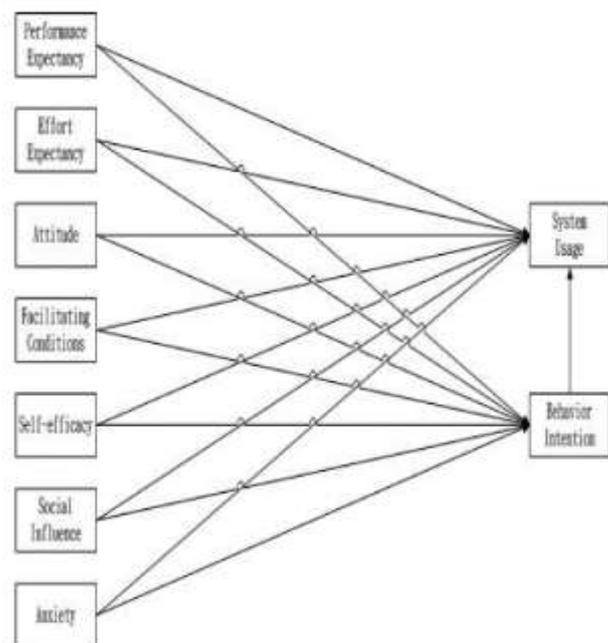


Figure. 2 Proposed research model

Performance expectancy, effort expectancy, and social influence are the most common determinants to measure E-HRM usage and HRM effectiveness [23]. The study confirms that behavioural intention serves as a mediating mechanism on the relationship between

performance expectancy and social influence, and E-HRM use.

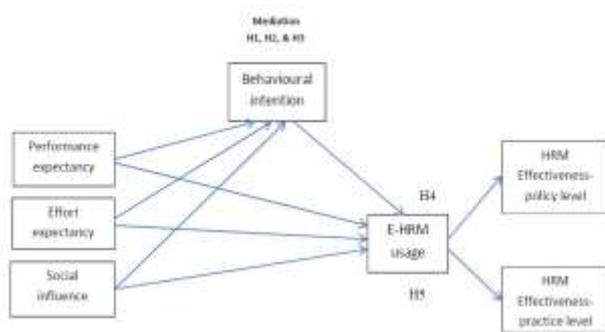


Figure. 3 Theoretical Framework

We using almost the same proposed research model by [23]. However, we are going to find the impact on HRM effectiveness, especially on the practice level, by measuring performance expectancy, effort expectancy, and social influence. To find the outcomes we collect data by doing a questionnaire.

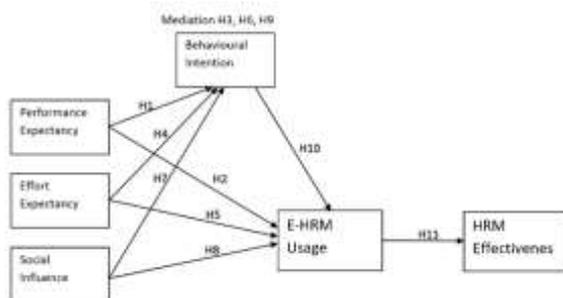


Figure. 4 Theoretical Framework

UTAUT model has been widely used as the measurement of technology acceptance. Previous research hypothesised that performance expectancy, effort expectancy, and social influence, directly affecting behavioural intention, while behavioural intention affecting use behaviour directly [12]. Performance expectancy, effort expectancy, and social influence affecting use behaviour through behavioural intention as a mediator [12]. An additional assumption of UTAUT was hypothesised by Jong and Wang [30] that performance expectancy, effort expectancy, and social influence has a direct relationship with behavioural intention and system usage. Accordingly, this the study assumes that performance expectancy, effort expectancy, and social influence has a direct relationship with behavioural intention and system usage, and also hypothesised behavioural intention mediates the relationship between the three determinants and E-HRM use.

Based on the above arguments, the study propose some hypotheses stating that:

- Hypothesis 1 : Performance expectancy is positively related to their behavioural intention.
- Hypothesis 2 : Performance expectancy is positively related to E HRM usage.
- Hypothesis 3 : Behavioural intention mediates the relationship between performance expectancy and the use of E-HRM.
- Hypothesis 4 : Effort expectancy is positively related to their behavioural intention
- Hypothesis 5 : Effort expectancy is positively related to E-HRM usage
- Hypothesis 6 : Behavioural intention mediates the relationship between effort expectancy and the use of E-HRM.
- Hypothesis 7 : Social Influence is positively related to their behavioural intention
- Hypothesis 8 : Social Influence is positively related to E-HRM usage
- Hypothesis 9 : Behavioural intention mediates the relationship between social influence and the use of E-HRM
- Hypothesis 10 : Behavioural Intention is positively related to E-HRM usage
- Hypothesis 11 : E-HRM usage is positively related to the effectiveness of HRM.

III. RESEARCH METHOD

3.1. Proposed Research Design

We are measuring eight company with E-HRM implementation. We do research by sending some questionnaire shared to human resources managerial level, supervisor level and staff level as our unit of analysis, using non probability sampling, purposive sampling - judgment sampling.

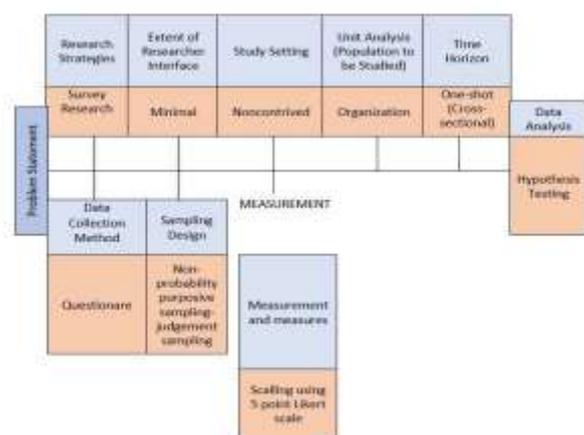


Figure 5. Elements of research design

should be 0,5 (SI1 and SI2 valid) [31]. However, SMART PLS using 0,7 as validity limit.

Table 2. Outer Loading

	Behavioural Intention	E-HRM Usage	Effort Expectancy	HRM Effectiveness	Performance Expectancy	Social Influence
AU1				0,899		
AU2				0,899		
AU3				0,919		
BI1	0,847					
BI2	0,853					
BI3	0,848					
BI4	0,807					
E1		0,855				
E2		0,847				
E3		0,846				
EE1			0,745			
EE2			0,791			
EE3			0,792			
EE4			0,767			
PE1					0,803	
PE2					0,842	
PE3					0,816	
PE4					0,832	
SI3						0,906
SI4						0,893

Validity testing is shown in table 3 and table 4. Validity limit for composite reliability in table 3, should be 0,6. Average Variance Extracted (AVE) limit minimal 0,5. The result has shown that all variable tested is valid and reliable.

Table 3. Construct Reliability and Validity

	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
Behavioural Intention	0,860	0,860	0,905	0,704
E-HRM Usage	0,807	0,807	0,886	0,721
Effort Expectancy	0,777	0,780	0,857	0,599
HRM Effectiveness	0,891	0,912	0,932	0,820
Performance Expectancy	0,842	0,844	0,894	0,678
Social Influence	0,764	0,765	0,894	0,809

Discriminant validity applied to measures of one construct differ from the other constructs [31]. The analysis suggests that the loading of each indicator should be greater than all of its cross-loadings. Discriminant validity is acceptable if all of the diagonal values exceeded the inter-construct correlations. Acceptable discriminant validity indicates no multicollinearity concern exists. Table 4 shown discriminant validity is acceptable for all of the constructs.

Table 4. Fornell-Lacker Criterion for Discriminant Validity

	Behavioural Intention	E-HRM Usage	Effort Expectancy	HRM Effectiveness	Performance Expectancy	Social Influence
Behavioural Intention	0,839					
E-HRM Usage	0,676	0,849				
Effort Expectancy	0,719	0,610	0,774			
HRM Effectiveness	0,309	0,528	0,350	0,906		
Performance Expectancy	0,659	0,672	0,707	0,355	0,823	
Social Influence	0,579	0,555	0,429	0,283	0,421	0,899

In table 5, R² value being used to predict the endogenous construct on Structural Equation Model (SEM). R² values of 0.67 is substantial, 0.33 is moderate, and 0.19 is weak in PLS models [32]. The R² values of the endogenous constructs exceeded the acceptable moderate value (behavioural intention and E-HRM usage), except for HRM effectiveness with R² values of 0,274.

Table 5. R Square Table

	R Square	R Square Adjusted
Behavioural Intention	0,632	0,625
E-HRM Usage	0,583	0,572
HRM Effectiveness	0,279	0,274

Additionally, the effect size (f²), was calculated. The effect size (f²) values of 0.02 has a small, 0.15 has a medium, and 0.35 has a large effect [33]. Result shown in table 6 behavioral intention to E-HRM Usage is 0,058 (small); E-HRM usage to HRM effectiveness is 0,387 (large); effort expectancy to behavioral intention is 0,237 (medium); effort expectancy to E-HRM usage is 0,006 (no effect); performance expectancy to behavioral intention is 0,071 (small); performance expectancy to E-HRM usage is 0,132 (small); social influence to behavioral intention is 0,189 (medium); and social influence to E-HRM usage is 0,08 (small). Thus, all of the construct give effect to the hypothesis, exclude effort expectancy to E-HRM usage.

Table 6. F Square Table

	Behavioural Intention	E-HRM Usage	Effort Expectancy	HRM Effectiveness	Performance Expectancy	Social Influence
Behavioural Intention		0,058				
E-HRM Usage				0,387		
Effort Expectancy	0,237	0,006				
HRM Effectiveness						
Performance Expectancy	0,071	0,132				
Social Influence	0,189	0,080				

Table 7 shown hypothesis testing. Original sample has shown coefficient beta. T statistics limit minimum 1,96 and p-value limits maximum 0,05 in order to be accepted. The result shown for indirect effects in all hypothesis is accepted, except effort expectancy to E-HRM usage with T statistic 0,871 (below 1,96) and p-value 0,384 (more than 0,05).

Table 7. Hypothesis Testing (Total Direct Effects)

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics ((O/STDEV))	P Values
Behavioural Intention -> E-HRM Usage	0,257	0,250	0,108	2,379	0,017
E-HRM Usage -> HRM Effectiveness	0,528	0,529	0,068	7,730	0,000
Effort Expectancy -> Behavioural Intention	0,426	0,422	0,081	5,279	0,000
Effort Expectancy -> E-HRM Usage	0,083	0,085	0,095	0,871	0,384
Performance Expectancy -> Behavioural Intention	0,233	0,233	0,083	2,791	0,005
Performance Expectancy -> E-HRM Usage	0,350	0,348	0,079	4,421	0,000
Social Influence -> Behavioural Intention	0,297	0,303	0,060	4,943	0,000
Social Influence -> E-HRM Usage	0,224	0,230	0,081	2,774	0,006

And for indirect effects with the same rule, the table 8 has shown that the variable performance expectancy mediating with behavioural intention to effect E-HRM usage is not accepted because of the T statistic 1,733 (below 1,96) and p-value 0,083 (more than 0,05).

Table 8. Total Indirect Effects

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics ((O/STDEV))	P Values
Behavioural Intention -> E-HRM Usage					
Behavioural Intention -> HRM Effectiveness	0,136	0,133	0,062	2,188	0,029
E-HRM Usage -> HRM Effectiveness					
Effort Expectancy -> Behavioural Intention					
Effort Expectancy -> E-HRM Usage	0,109	0,107	0,052	2,102	0,036
Effort Expectancy -> HRM Effectiveness	0,102	0,101	0,049	2,064	0,039
Performance Expectancy -> Behavioural Intention					
Performance Expectancy -> E-HRM Usage	0,060	0,059	0,035	1,733	0,083
Performance Expectancy -> HRM Effectiveness	0,216	0,215	0,053	4,061	0,000
Social Influence -> Behavioural Intention					
Social Influence -> E-HRM Usage	0,076	0,074	0,033	2,298	0,022
Social Influence -> HRM Effectiveness	0,159	0,161	0,043	3,677	0,000

4.2. Discussion

Our research will measure E-HRM effectiveness through E-HRM usage using the UTAUT model (unified theory of acceptance and use of technology) by Venkatesh et al [12]. This model identifies the most common determinants, they are performance expectancy, effort expectancy, and social influence, which affect behavioural intention and actual usage. Overall, the result shows that E-HRM usage affects HRM effectiveness positively. Furthermore, we suggest this model be developed to measure HRM efficiency in organization because. Previous research has supported the efficiency through E-HRM adoption by increasing the speed of the process and releasing the staff from administrative work [5], however, Kohansal, Sadegh & Haghshenas [17] do not found E-HRM may allow HR to reduce cost.

V. CONCLUSION, IMPLICATION AND LIMITATION

5.1. Conclusion

Our study finding the important relation of e-HRM that increasing HRM practice effectiveness. Thus, this study also confirms that performance expectancy and social influence has a positive effect on e-HRM usage. E-HRM usage with behavioural intention as a mediating variable also serves a good effect on e-HRM effectiveness, except for performance expectancy not really affect E-HRM usage throught behavioural intention as a mediating.

5.2. Theoretical Implications

Our study findings give a contribution to E-HRM study in some several ways. Our study findings show strong relationships between behavioural intention and E-HRM usage. Beside of that, this study also finds a result that showing a positive relationship between E-HRM usage and HRM effectiveness. This result support previous E-HRM study by Obeidat [23], whereas performance expectancy, effort expectancy, and social influence affect e-HRM use, through behavioural intention as mediating variable; and Abedi [13] whose found the positive relationship between the effectiveness of human resource and E-HRM usage. Our result support that E-HRM helps the organization [1.] and has a significant positive relationship with the effectiveness of human resources. The result also found that performance expectancy, effort expectancy, and social influence has a direct effect on E-HRM usage.

This study add strong proves and support previous HRM study from Lin [34], that electronic system for human resources department has a big potential to help an organization to add effectiveness value on the human resources department. For future research that could be build from this study and based on suggestion by Marler and Fisher [35] that some more research is needed to conduct to study about the strategic outcomes for E-HRM use in order to find the relationship between E-HRM usage and some different

measures on strategic outcomes as if employee productivity and improving organisational performance. This study finds that behavioral intention has strong indirect effect with HRM effectiveness, except for performance expectancy not really affect E-HRM usage through behavioural intention as a mediating. Other direct relationship between independent variable performance expectancy and social influence also showing great relationship. In other hand this study shows that effort expectancy has no significant relationship with E-HRM usage.

5.3. Managerial Implications

This research makes several practical contributions. This study provides evidence that E-HRM usage improves HRM effectiveness at policy and practice level. Based on our findings in an Indonesian company that we do the research, E-HRM usage shows a strong positive relationship with HRM effectiveness. In term of that findings, the organisation must be able to provide their employee with an electronic human resources system that supports human resources daily activity, to help the human resources department to increase their effectiveness in works.

Another implication is related to the level of E-HRM usage. In Indonesia, the use of electronic human resources management system such as mobile absence, electronic salary counters, electronic Income tax, HR electronic learning support has increasing greatly in recent years. Therefore the actual usage of the system is still at some moderate level because this study was including 8 company in Indonesia. This moderate level of usage could be defined as some facts, that some employee is not able to perceive the actual benefits of electronic human resources system to help them finish their human resources management activities. Necessarily, organisations should take an action to gives understanding to their human resources department about the actual benefit that can be gained from using the support of electronic human resources system, and how's this system can help human resources department to achieve more effectiveness.

5.4. Limitations

This study providing empirical evidence as per given, supporting our hypothesis relationship, and this is without limitation. The study based on cross-sectional data, that implies limitation in determining causality, as data was collected at one point in time. Our other limitations are concerning about the generalizability of the findings. This empirical study was restricted to eight company in Indonesia that was using E-HRM in their human resources department, and all of the respondents are human resources professionals who are working with E-HRM in their daily works. In regards to this limitation, these results may not generalize the results to other organisational settings.

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