

# IMPACT OF E-HRM PRACTICES ON JOB SATISFACTION OF EMPLOYEES IN BANKING SECTOR IN HARYANA

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**Abstract:** *This research article aims to assess the impact of electronic human resource management (E-HRM) practices such as e-recruitment & selection, e-training & development, e-performance appraisal, e-compensation, etc. on the job satisfaction of bank employees. The employees' experience with reference to the above-mentioned E-HRM practices and their satisfaction in the selected two banks namely Punjab National Bank (public sector bank) and HDFC Bank (private sector bank) is studied in this article. The study population consisted of both managerial and clerical employees in the selected banks. Primary data and secondary data have been used for the study. The sample size determined for the study is 100 from the two banks that are selected for the study, with 50 employees from each of the chosen banks designated as the sample respondents. Correlation and regression measures have been applied to analyse the survey data. The results of the study indicated that there is a positive correlation between selected E-HRM practices and employee job satisfaction in selected banks (Punjab National Bank and HDFC Bank Ltd.). The results of the study also indicated that E-HRM practices in the selected banks have a significant impact on employee job satisfaction. The study suggested that a healthy and effective relationship with human resources in the organisation can be a powerful tool for banking success.*

**Keywords:** *E-HRM, E-HRM Practices, Job Satisfaction of Employees, Private Sector Bank and Public Sector Bank*

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## INTRODUCTION

Electronic Management has become very necessary for building a healthy and effective relationship with human resources in the organisation. The role of Electronic Management (E-M) in HR is vitally important for promoting organisational performance as well as job satisfaction. Essentially, Electronic – human resource management (E-HRM), has been defined as: - “the way of implementing – HR policies, strategies, and practices in organizations by the support of full use of web-technology-based channels” (Ruel et al., 2004). Recently, and broadly, as: - “the implementation, and application of information- systems for both networking and supporting actors in performing of human-resource activity” (Strohmeier, 2007). Managerial and clerical employees and HRM specialists can access E-HRM at any time since it is an entirely integrated, database, information, company-wide electronic network of data, services, tools, apps and transactions linked to HRM (Hussain et al., 2007). There is some evidence and it's proven that there are several industries that have shifted their business focus to

technological efficiency and the use of the internet of things in HR practice, strategies, policies and operation (Spandana & Munivenkatapp, 2017). These basic benefits of E-HRM practices are not confined to banking aspects only but it also brings under the umbrella of employee satisfaction and ultimate customer satisfaction, both of which are at the very central point of every business organisation.

## REVIEW OF LITERATURE

Sinha and Mishra (2014) studied the E-HRM tools: An empirical study in select Indian organisations. A standardised questionnaire with statements about the use of E-HRM tools and demographic characteristics was used to assemble the replies from the employees. To analyse the data statistically, the researcher employed a one-way ANOVA, paired sample *t*-test and one sample *t*-test. According to the survey, not all E-HRM technologies are fully used in Indian organisations, and private organisations use E-HRM tools more frequently than public organisations. The services sector applies

E-HRM tools more frequently than the manufacturing and mining sectors.

Khashman and Al-Ryalat (2015) studied the impact of electronic human resource management (E-HRM) practices on business performance in Jordanian telecommunications sector. To meet the study's goals, the researcher employed a stratified random sample of 178 male and female employees who were chosen to gather the necessary data. A questionnaire was then created and given to the sample, and data was examined using SPSS statistical software, which employed both analytical and descriptive statistics. The findings demonstrated that the aspects of electronic human resources management (e-recruitment, e-selection, e-training, e-performance appraisal, e-communications, and e-compensation) had a positive statistically significant impact on the operational performance dimensions (time, cost, quality of service and flexibility).

Shaumya and Arulrajah (2018) studied the impact of E-HRM practices on the bank's environmental Performance. The goal of the study is to determine how E-HRM affects the environmental performance of particular commercial banks in Sri Lanka's Batticaloa Region. To accomplish the objective of the study, primary data were obtained from 155 bank workers of certain bank branches, which were gathered via the use of a standardised questionnaire. The finding of the study exhibited that E-HRM practices have a significant, positive and strong impact on a bank's environmental performance.

Adewoye and Olugbenga (2018) examined the effects of E-HRM on customer deposits in selected deposit money banks. The study depicted that E-HRM has a positive, statistically significant effect on customer deposits in selected deposit money banks in Nigeria. The study suggested that banks should enhance and improve their incentives to their staff to promote higher employee performance and productivity in the Nigerian Banking sector.

Sohail et al. (2020) studied the assessment of E-HRM practices and its functions in terms of the banking sector of emerging economies. The key findings of the study exhibit that Job opening, recruitment, selection, training, mobile banking, fintech, motivation, TRSM, communication task completion and bank performance are basic and major elements which are directly influenced by the effect of E-HRM system. The study suggested that the E-HRM system can be a powerful tool for banking success.

Ishrat et al. (2020) examined the impact of E-HRM practices on employee productivity in terms of hospitals. The study's purpose was to assess the relationship between E-HRM practices (Operational, e-compensation, e-recruitment and

e-transformation) and employee productivity in selected five hospitals. The result reveals that E-HRM practices such as operational, transformational and e-compensation have a positive and significant impact on employee productivity.

Anjum and Islam (2020) studied the employees' behavioural intention to adopt the E-HRM system-an approach to extend the technology acceptance model. A systematic questionnaire was used to gather data for this study from 130 employees in Bangladesh. The study's findings demonstrated that a direct and strong correlation was shown between organisational innovativeness and behavioural intention with regard to the adoption of E-HRM.

Jayabalan et al. (2020) presented the role of organisational citizenship behaviour towards the environment (OCBE) on green HRM towards performance sustainability. The findings demonstrate that OCBE in the current workforce towards sustainable performance in manufacturing industries is significantly influenced by the management of green human resources. Businesses need to realise that securing their legitimacy and ensuring their continuous operations through their core vision may be achieved in large part through the use of green management.

Lee (2020) presented the role of environmental uncertainty, green HRM and green SCM in influencing organisations energy efficacy and environmental performance. Using a quantitative research approach, 378 participants were selected as the sample for which PLS-SEM was used as a statistical technique. Data were gathered via survey questionnaires. The outcomes demonstrated the highly favourable effects of GSM, GHRM and ENUN on ENEF and ENPR. According to the study's findings, companies should adopt more environmentally friendly SCM, HR and other financial efforts for the sake of the environment and public health.

Binti Ismail et al. (2021) examined the employee satisfaction and performance of the E-HRM system in the context of Malaysia's banking sector. The Spearman correlation measure was used to analyse the primary data to achieve study's the objectives. Results of this study exhibited that employee satisfaction and job performance were at a high level and there is a statistically significant and positive relationship between the E-HRM system in the banking sector and employee satisfaction as well as employee job performance. The key findings of this study suggested that HRM of banking industries should provide information and instruction to their bank employees before the E-HRM system has been implemented.

Anjum et al. (2022) presented "An Insight into Green HRM Practices for Sustainable Workplace in the Banking Sector

of Bangladesh: The Role of Electronic HRM". The study's results revealed that the Bangladesh banking industry has already embraced Green HRM practices under the direction of the Central Bank of Bangladesh. All the public sector and private sector banks in Bangladesh country are taking various measures and techniques to ensure workplace sustainability.

Srividya et al. (2022) analysed the green HRM Practices in The Banking Sector. The sample size fixed for this study purpose was 140 bank employees from the selected banks. The study reveals that there exists a significant association/connection between the educational qualifications and experience of the bank employees in the study area and their perception towards Green HRM practices. The study suggested that organisations should promote and make the green team within their functional departments to impart training programs and information to their employees in terms of practices of green HRM.

Siregar (2022) studied the effect of E-HRM practices on employee loyalty. Employee responses to the survey were gathered by basic random sampling. The questionnaire's construction was informed by evaluations of prior research material. The relationship between e-recruitment, e-training, e-compensation, motivation and loyalty was confirmed by the study's findings. The mediating role of motivation is also supported statistically in this investigation. The study's conclusions can be used by policymakers to create staff retention guidelines.

Erro and Aramendia (2023) examined that the role of HR management practices on the results of digitalisation in the study area. The study's main findings reveal that HR management practices are relevant to explain firms' profits. Therefore, HR management practices and technology are complementary resources to reach higher results. A positive, statistically significant and strong relationship between profits and the use of data analytics to monitor employee performance was found.

Oyuru (2023) studied the effect of E-HRM practices on organisational performance in terms of the banking sector. The results of the study exhibited that there exists a statistically significant relationship between E-HRM practices and the performance of bank staff in selected banks. This is a result of the fact that the use of E-HRM systems and related applications in the banks increases the delivery of services & quality of services provided by the HRM Division, and enhances the effectiveness of HRM procedures.

El-Rahim et al. (2024) studied the Impact of e-compensation on employees' performance in five-star Hotels. This study used a questionnaire tool and descriptive-analytical

methodology. The questions were analysed and hypotheses were tested using SPSS version 22 statistical analysis. The results of the study demonstrated a favourable correlation between e-compensation and employee performance in five-star hotels as well as a substantial association between e-compensation and employee performance.

## Need of the Study

In the current digitalised era, industries depend more on e-technology rather than traditional technology. The banking industry is not an exception to this. The banking industry is constantly forced to adopt and implement of E-HRM system in order to enhance the banking industry's performance which affects the work culture of human resources (managerial and clerical) in the banking sector. Hence, there is a need to study on impact of E-HRM practices on employees in the banking sector.

## OBJECTIVES OF THE STUDY

The main objectives of the study are as follows:

- To study the growth of selected public and private sector banks in Haryana in terms of the number of branches.
- To study the relationship between E-HRM practices and job satisfaction of employees in selected public and private sector banks in Haryana.
- To measure the impact of E-HRM practices on the job satisfaction of employees in selected public and private sector banks in Haryana.

## Hypothesis of the Study

- $H_{01}$ : There is no significant relationship between E-HRM practices and job satisfaction of employees in selected public and private sector banks.
- $H_{02}$ : There is no significant impact of E-HRM practices on the job satisfaction of employees in selected public and private banks.

## Research Variables

The Job satisfaction of banking workers has been taken as the dependent variable (DV), whereas e-recruitment & selection, e-training & development, e-performance appraisal, e-compensation and e-reward & recognition in the study area have been taken as independent variables (IV).

## Data Collection

For the present study, data have been acquired from primary and secondary sources. The sample size determined for the study is 100 from the two banks that are selected for the study, with 50 employees from each of the chosen banks designated as the sample respondents. Secondary data for the survey has been collected from Reports of the Reserve Bank of India, Punjab National Bank, HDFC Ltd. Bank, etc.

## Selection of Banks for the Study

There are 12 public-sector banks with 2854 branches, and 21 private-sector banks with 1637 branches in Haryana as per the RBI report as on 31<sup>st</sup> March 2023. The particular study is limited to one leading public sector bank namely Punjab National Bank and one leading private sector bank namely HDFC Bank Ltd. in respect of branches in Haryana. The following table depicts the details of selected two leading banks in the survey.

**Table 1: Selected Two Leading Banks in Respect of Branches in Haryana**

Sr. No.	Bank Group	Bank	Branches in Haryana
1	Public Sector	Punjab National Bank	790
2	Private Sector	HDFC Bank Ltd.	422

Source: Reports of RBI.

## DATA ANALYSIS

Based on the objectives and hypotheses of the study, the researchers used the growth % method to know the growth of selected banks in terms of the number of branches and the correlation technique was applied to assess the relationship/association between selected E-HRM practices and the job satisfaction of bank employees. The regression technique was also used to know the impact of E-HRM practices on the job satisfaction of bank employees in selected two banks in Haryana.

### First Objective of the Study

To study the growth of selected public and private sector banks in Haryana in terms of the number of branches.

In order to achieve the 1<sup>st</sup> objective, the researcher applied the growth % measure to know the growth of selected banks in terms of the number of branches in Haryana.

**Table 2: Growth of Punjab National Bank and HDFC Bank Ltd. in Terms of the Number of Branches in Haryana**

Year	Punjab National Bank		HDFC Bank Ltd.	
	No. of Branches	Growth %	No. of Branches	Growth %
March 2019	549	100.00	349	100.00
March 2020	557	101.45	350	98.87
March 2021	850	154.82	354	101.43
March 2022	813	148.08	366	104.87
March 2023	790	143.89	422	120.91

Source: Report of bank branch statistics of RBI.

Base year; 2019.

The Table 2 reveals the growth of selected banks i.e. Punjab National Bank and HDFC Bank Ltd. in terms of the number of branches. The total number of branches of Punjab National Bank registered in Haryana was 549 in March 2019. The registration of Punjab National Bank rose to 790 by the end of March 2023 with a growth %age of 43.89 (143.89-100). On the other side, the total number of branches of HDFC Bank Ltd. recorded in Haryana was 349 in March 2019 and this number reached to 422 by the end of March 2023 with a growth %age of 120.91 (120.91-100). Hence, the growth % of Punjab National Bank in Haryana is higher than HDFC Bank Ltd. in respect of number of branches in Haryana.

### Second Objective of the Study

To study the relationship between E-HRM practices and job satisfaction of employees in selected public and private sector banks in Haryana.

$H_{01}$ : There is no significant relationship between selected E-HRM practices and job satisfaction of employees in selected public and private sector banks.

In order to achieve 2<sup>nd</sup> objective of the study, the researcher used the correlation technique to assess the relationship/association between selected E-HRM practices and the job satisfaction of bank employees in selected two banks in Haryana.

**Table 3: Correlation Matrix for E-HRM Practices and Job Satisfaction**

Components	E-RS	E-TD	E-PA	E-CS	E-RR	JS
E-Recruitment and Selection	1	.568 (.000)	.641 (.000)	.597 (.000)	.503 (.000)	.602 (.000)
E-Training and Development		1	.583 (.000)	.580 (.000)	.535 (.000)	.693 (.000)
E-Performance Appraisal			1	.619 (.000)	.415 (.000)	.625 (.000)
E-Compensation System				1	.525 (.000)	.599 (.000)
E-Reward and Recognition					1	.613 (.000)
Job Satisfaction						1
Correlation is significant at 0.01 level (1-tailed)						

Source: Primary data.

From the above Table 3, it is revealed that there is a positive correlation between selected E-HRM practices and employee job satisfaction in selected banks (Punjab National Bank and HDFC Bank Ltd.). There is a highest positive (moderate degree of positive) correlation between E-training & development and employee job satisfaction ( $r=0.693$ ), and the least positive correlation is observed between E-compensation and employee satisfaction ( $r=0.599$ ). Hence, the hypothesis ( $H_{01}$ ) of the present study has been rejected and there is a significant relationship between E-HRM practices and employee job satisfaction in selected banks.

### Third Objective of the Study

To measure the impact of selected E-HRM practices on the job satisfaction of employees in selected public and private sector banks in Haryana.

$H_{02}$ : There is no significant impact of selected E-HRM practices on the job satisfaction of employees in selected public and private banks.

In order to achieve 3<sup>rd</sup> objective of the study, researcher applied the regression technique/measure to know the impact of selected E-HRM practices on the job satisfaction of bank employees in selected two banks in Haryana.

**Table 4: Modal Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
Impact of E-HRM practices on job satisfaction	.840	.679	.675	.58093
Predictors: E-RS, E-TD, E-PA, E-CS and E-RR				

Source: Primary Data.

Table 4 shows the result of the model summary that the R-square value is 67.9%, which means that IV cause a 67.9% change in the DV.

**Table 5: Anova Table**

Model	Label	Sum of Squares	D.o.F.	Mean Square	F	Sig.
Impact of E-HRM practices on job satisfaction	Regression	6.657	4	1.664	6.187	0.000
	Residual	25.554	95	.269		
	Total	32.210	99			
Dependent variable: Job satisfaction (JS) of employees.						
Predictors: E-RS, E-TD, E-PA, E-CS and E-RR						

Source: Primary data.

The above Table 5 shows the outcomes of the ANOVA measure that the p-value is less than 0.05, thus there is a significant relationship between variables.

**Table 6: Regression Coefficients**

Model	Variables	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
Impact of E-HRM practices on job satisfaction in selected two banks	(Constant)	5.37				
	E-Recruitment Selection	.095	.054	.116	1.850	.001
	E-Training and Development	.167	.049	.225	3.625	.000
	E-Performance Appraisal	.177	.052	.192	3.502	.001
	E-Compensation System	.180	.059	.228	3.890	.001
	E-Reward and Recognition	.348	.055	.345	6.110	.000

Dependent variable: Job satisfaction of employees.

Source: Primary data.

The above Table 6 exhibits the regression coefficients to examine the impact of E-HRM practices in selected banks i.e., Punjab National Bank and HDFC Bank Ltd. on employee job satisfaction in Haryana. These results are significant at 5% level of significance. The standardised beta coefficients show that E-Reward and Recognition have the highest impact on employee job satisfaction (Beta=0.345), whereas E-recruitment and selection have the lowest impact on employee job satisfaction (Beta=0.116). Hence, the hypothesis ( $H_{02}$ ) of the present study has been rejected and E-HRM practices in the selected banks have a significant impact on employee job satisfaction.

## CONCLUSION OF THE STUDY

The study revealed the growth % of Punjab National Bank in Haryana is higher than HDFC Bank Ltd in respect of the number of branches in Haryana. The results of the study also indicated that there is a positive correlation between selected E-HRM practices and employee job satisfaction in selected banks (Punjab National Bank and HDFC Bank Ltd.). There is a highest positive (moderate degree of positive) correlation between E-training & development and employee job satisfaction ( $r=0.693$ ), and the least positive correlation is observed between E-compensation and employee satisfaction ( $r=0.599$ ). The results of the study exhibited that e-reward & recognition have the highest impact on employee job satisfaction (Beta=0.345), whereas e-recruitment & selection have the lowest impact on employee job satisfaction (Beta=.116). Hence, E-HRM practices in the selected banks have a significant impact on employee job satisfaction.

## Suggestions

The study suggested that a healthy and effective relationship with human resources in the organisation can be a powerful tool for banking success. The key findings of this study suggested also that the HR department of banking industries should provide information, instruction and training to their bank employees before the E-HRM system is implemented.

## Limitation of the Study

The study has been conducted only in selected one public sector (Panjab National Bank) and one private sector bank (HDFC Bank Ltd.) in Haryana. The sample size is limited to 100 employees from selected one public sector and one private sector bank in Haryana.

## Scope for Further Study

The present study considered the impact of E-HRM practices on the job satisfaction of public and private sector bank employees in which one public bank and one private bank were considered. Other banks can also be considered for further study.

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