Examining the Influence of E-HRM Practices on Conventional Banks' Performance: A Focus on E-Recruitment, E-Training, and E-HR Evaluation

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ARTICLE INFO	ABSTRACT
	This study explores the impact of three electronic human resource management (e-HRM) practices, namely E-Recruitment and Selection, E-Training and Development, and E-HR Evaluation, on the performance of banks. The banking industry has increasingly embraced e-HRM practices to streamline and enhance human resource functions. A quantitative methodology was employed, utilizing data sourced from a restricted pool of financial institutions that have integrated e-HRM protocols. The findings reveal that E-Recruitment and Selection significantly impact the overall performance of banks, supporting the initial hypothesis. This suggests that electronic methods for candidate recruitment and selection improve the quality and efficiency of talent acquisition in the banking industry. Additionally, the research demonstrates that e-Training and Development positively influence banks' performance, validating the second hypothesis. This emphasizes the importance of providing electronic training and development opportunities to enhance the skills and capabilities of banking professionals. Furthermore, the study provides evidence of a significant impact of E-HR Evaluation on the performance of banks, supporting the third hypothesis. This highlights the effectiveness of electronic evaluation techniques in assessing employee performance and identifying areas for improvement within banking organizations.

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Introduction

E-HRM, or Electronic Human Resource Management, refers to the use of digital technology to streamline human resource management operations within an organization. Shamout

et al. (2022) emphasize the utilization of software and online platforms in E-HRM practices. These practices encompass various responsibilities, including recruitment, performance evaluation, employee engagement, training and development, and overall HR procedure oversight. Implementing E-HRM practices can bring significant benefits to businesses, such as increased efficiency, improved accuracy, reduced administrative costs, and enhanced communication and collaboration between HR professionals and employees. This, in turn, improves the user experience for employees and allows HR experts to focus on strategic initiatives (Khashman, 2022).

The concept of E-HRM can be traced back to the emergence of the internet and subsequent web-based technological advancements. With the development of technology, the integration of HR practices and procedures with technology gave rise to E-HRM or Enterprise Human Resource Management. The concept of E-HRM emerged in the 1990s alongside the increasing use of web-based technologies and the internet. Early applications of E-HRM included online recruiting platforms and the digitization of HR data and documentation. Throughout the 2000s, with the advancement of sophisticated HR information systems and the availability of cloud-based solutions, E-HRM became more widely adopted (Milon et al., 2022).

In the banking industry, "electronic recruitment" or "E-recruitment" refers to the practice of using technology to streamline and automate the recruitment and selection process. Talukdar and Ganguly (2021) highlight the increasing adoption of E-recruitment and selection technologies in banks to attract and identify top talent, reduce recruitment costs, and enhance the overall recruitment experience for both applicants and recruiters. Similarly, "e-training and development" in the banking industry involves providing training and development programs to bank employees through technology. Online training and development programs are gaining popularity due to their cost-effectiveness, scalability, and flexibility. Rahman and Hosain (2021) state that electronic training and development solutions enable financial institutions to deliver high-quality education to employees regardless of their location or work schedule.

"E-HR communications" in the banking industry refers to the use of technology to improve communication efficiency between HR departments and employees. Electronic human resource communication solutions are becoming increasingly popular in the banking industry due to their effectiveness, cost-efficiency, and scalability. Myllymaki (2021) explains that E-HR communications enable banks to communicate with employees across different locations and time zones while providing tailored, up-to-date, and relevant information. Benefits of electronic HR communications include improved employee engagement, enhanced transparency, and streamlined HR processes. However, financial institutions must ensure that E-HR communication solutions are secure, user-friendly, and compliant with relevant data protection regulations.

Although the adoption of E-HRM practices in the banking industry of Pakistan has been increasing, the relationship between their adoption and bank performance remains unclear. The intense competition in the banking industry in Pakistan has put pressure on financial institutions to improve performance and maintain profitability. Ismail et al. (2021) suggest that implementing electronic human resource management methods can give banks a competitive edge by optimizing

HR operations, enhancing employee engagement, and cultivating a skilled and motivated workforce.

2.0 Literature Review

Existing empirical research on electronic human resource management (e-HRM) explores the challenges and obstacles associated with its acceptance and use. Susananto et al. (2023) conducted a study that identified potential barriers to effective e-HRM adoption, including resistance to change, lack of technological knowledge, concerns about privacy, and organizational culture. Various strategies have been researched to overcome these challenges, such as effective change management, educational initiatives, and fostering a supportive corporate environment. Setiawan and Gunawan (2023) suggest that businesses aiming to successfully implement e-HRM systems and capitalize on their benefits must have a comprehensive understanding of the challenges and opportunities they present.

Additionally, academic literature investigates the implications of e-HRM on HR practitioners and their responsibilities. Scholarly research examines the evolving roles of human resources (HR) practitioners in the digital age and the competencies and skills required to effectively utilize e-HRM platforms (Al-Alwan et al., 2022). Certain studies emphasize the need for HR professionals to possess skills in digital literacy, data analytics, and strategic thinking to leverage e-HRM solutions successfully and contribute significantly to organizational success. Furthermore, academic research explores the potential role of HR analytics and big data in facilitating HR decision-making and enhancing HR methodologies (Shamout et al., 2022).

E-recruitment refers to the use of electronic platforms and technology in the recruitment process to attract candidates and make informed hiring decisions. It involves leveraging various online channels, such as job portals, social media platforms, and corporate websites, to entice, evaluate, and hire potential candidates. E-recruitment has gained popularity due to its potential to enhance recruiting procedures, widen access to a larger pool of applicants, and improve overall efficiency. This literature review focuses on the relationship between e-recruitment and bank performance, summarizing key findings from empirical research conducted by AlHamad et al. (2022).

Several empirical studies have evaluated the use of e-selection strategies in the banking sector and their impact on organizational performance. Research suggests that electronic selection systems can significantly increase the speed and accuracy of the selection process in financial institutions. Online application systems and automated screening tools can expedite preliminary screening, reducing the time and resources required for manual screening (Al Qaisi & Saadon, 2023). Furthermore, e-selection platforms that utilize data analytics and machine learning algorithms can effectively identify exceptional applicants and match them with suitable job positions, expanding recruiting options and improving job-candidate compatibility (Esra, 2023).

The term "e-evolution" refers to the incorporation of different forms of information technology and the digital transformation it brings to various aspects of corporate operations. In the banking industry, e-evolution involves the acceptance and utilization of electronic platforms,

tools, and processes to enhance operational efficiency, improve customer experiences, and drive overall success. This paragraph includes a literature review on the link between e-evolution and bank performance (Zhang, 2022), providing a definition of e-evolution in the context of banking.

Theoretical Framework of the study

Independent variables

E-Recruitment and Selection

E-Training and Development

Bank Performance

DV

E-HR Evaluation
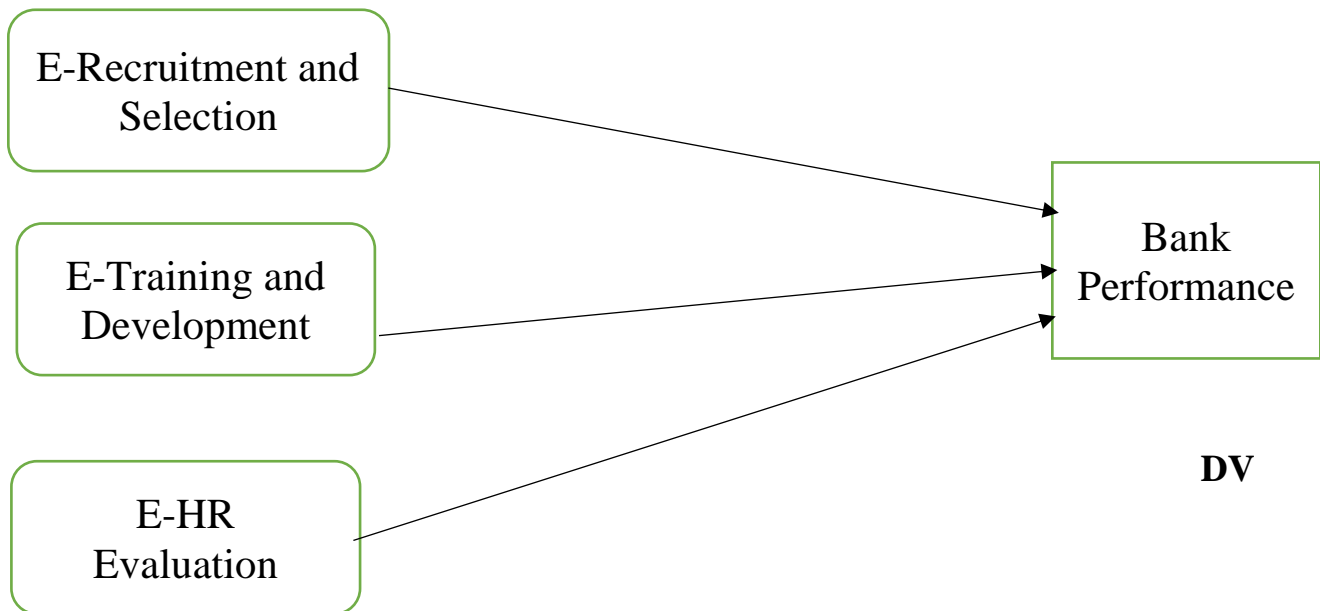
3.0 Methodology

Studies often employ one of three main research strategies: quantitative research, qualitative research, or a combination of both known as mixed methods analysis. In this particular study, the researchers opted for a quantitative methodology. Quantitative studies typically align with a positivist philosophical stance. The participants in this study were individuals holding managerial positions in conventional banks operating in the Pakistani market. Both private and public institutions were included in the recruitment process. To be more specific, the study focused on the management of conventional banks in Pakistan. The country is home to nineteen distinct types of conventional financial institutions, all actively operating. The data collection was conducted by interviewing bank managers, specifically selecting managers from banks located in the Lahore area.

The researcher chose to carry out data collection in Sahiwal due to the city's concentration of various financial institutions. To gather data from a range of traditional

banks, the researcher conducted a survey using interviews, primarily targeting branch managers and operation managers. A total of 210 questionnaires were distributed to different financial institutions, and the sample selection followed the recommendations provided in the literature review. The researchers collected responses from the participants using a standardized questionnaire. This research focused on investigating banks based in Lahore, Pakistan. For the quantitative analysis, the researcher employed a wide range of data analytic techniques, including SPSS (Statistical Package for the Social Sciences) software for statistical analysis.

Results

4.1 Reliability Analysis

Table 1: Overall Reliability Statistics

Cronbach's Alpha	N of Items
.821	4

Table 2 Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
E-Recruitment & Selection	15.0694	8.018	.796	.711
E-Training & Development	15.1630	9.099	.686	.752
E-HR Evaluation	15.1127	8.177	.801	.710
Bank Performance	14.9030	9.714	.694	.754

Table 4.2 provides a comprehensive summary of the general reliability of the data. As per the tabulated data, it can be inferred that the Cronbach's Alpha coefficient exhibits a value of .821, thereby exceeding the minimum threshold of reliability set at .70. Furthermore, Table 4.2 discloses that the Cronbach's Alpha coefficients for all variables surpass the threshold of .70. The findings suggest that the data can be deemed reliable for further analysis, as evidenced by the range of Cronbach's Alpha values falling between .711 to .754.

Table 3: Correlation Analysis

	E-Recruitment & Selection	E-Training &Development	E-HR Evaluation	Bank Performance
E-Recruitment and Selection	1			
E-Training and Development	0.463**	1		
E-HR Evaluation	0.542***	0.43**	1	
Bank Performance	0.612**	0.63**	0.55**	1

The findings indicate that there exists a statistically significant and positive correlation among all variables. There exists a significant correlation between e-recruitment and selection, e-training and growth, e-evaluation, and the performance of banks. Furthermore, it can be posited that the researcher may reasonably infer the absence of multicollinearity among the variables if the correlation matrix value is below 0.80. The specialists have determined that there are no concerns of multicollinearity with the data, as the values are below 0.80. This is the case due to the readings being below 0.80. The findings of this investigation indicate that there exists a satisfactory level of connection among all the variables under consideration. Furthermore, a number of these variables exhibit significant associations with other variables.

Regression Analysis

Table 4 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.892[a]	.694	.631	.9927

The R square value of .694 is derived from the aforementioned statistics. According to the analysis, it can be inferred that every independent variable has the capability to explain 69.4% of the factors that contribute to the outcome. The aforementioned observations suggest that the R-squared value and the adjusted R-squared value are consistent and in agreement with the expected results.

Table 5: ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	38.105	3	12.702	25.652	.000[b]
	Residual	47.535	96	.495		
	Total	85.641	99			

a. Dependent Variable: Banks Performance

The findings demonstrate that the F values exhibit statistical significance, as evidenced by a value of 0.000, which falls below the established threshold of 0.05. Consequently, additional testing is required by the researcher to confirm the suitability of the model for the inquiry. The findings indicate that the model exhibited a high level of congruence with the data.

Table 6: Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	0.481	.214		6.425	.000
	E-Recruitment and Selection	.199	.023	.271	3.316	.000
	E-Training and Development	.161	.072	.289	3.821	.022
	E-HR Evaluation	.286	.071	.321	3.912	.013

a. Dependent Variable: Bank Performance

The research indicates that E-Recruitment and Selection has a significant impact on the performance of banks (Beta = .199, T = 3316, and P =.000), which support first hypothesis (H1). Further the table demonstrated the effect of E-training on banks performance (Beta= .161, T=072, P=.000) and it found significant. Thus, H2 is accepted. Moreover, the table demonstrated the direct effect of E-HR Evaluation on banks performance and it found significant. Thus, H3 is accepted.

5.0 Discussion and Conclusion

The research findings provide support for the original hypothesis, which suggests a significant connection between e-recruitment and selection practices and bank performance. The hypothesis posits that financial institutions incorporating computerized techniques into their

recruiting and selection processes are likely to achieve improved outcomes in terms of employee performance. The utilization of electronic recruitment and selection methods has the potential to enhance operational efficiency, reduce recruitment time, and expand the pool of qualified applicants. Consequently, this can lead to a higher quality workforce and improved company performance (Dash, 2023) .

The results also lend credibility to the second hypothesis, which examines the impact of electronic human resources (e-HR) training and development on the performance of financial institutions. By integrating electronic platforms into training and development programs, banks can offer personalized and convenient educational opportunities to their employees. Enhancing employees' knowledge, skills, and productivity positively influences the overall performance of the bank and can be achieved through effective training and development initiatives (Nyathi & Kekwaletswe, 2023).

Furthermore, the research findings support the third hypothesis, which explores the effects of computerized human resource assessment on the efficiency of financial institutions, particularly banks. Utilizing electronic evaluation systems enables accurate and timely performance assessments, facilitating continuous feedback and performance improvement. As a result, employees' productivity increases, leading to an enhancement in the overall performance of the bank (Oyoru, 2023).

These results underscore the significance of employing distinct electronic human resource management (e-HRM) strategies, including e-recruitment and selection, e-HR training and development, and e-HR evaluation, to drive positive performance outcomes for banking organizations. By leveraging technology in these areas, financial institutions can streamline their human resource processes and ultimately enhance their overall effectiveness.

Conclusion

The present study concludes that e-HRM practices have a favorable influence on the performance of banking institutions. The implementation of electronic recruitment and selection, e-HR training and development, and e-HR evaluation has been found to significantly enhance the overall performance of banks. The findings of this study suggest that financial institutions should embrace technological innovations in their human resources procedures to gain a competitive advantage and improve performance outcomes. Adopting e-HRM practices enables banks to enhance their recruitment and selection processes, attract high-quality personnel, improve employee competencies through targeted training initiatives, and facilitate more accurate and timely performance assessments. The combined impact of these factors leads to improved employee performance, productivity, and overall bank performance.

Recognizing the importance of technological infrastructure and investing in training for the effective implementation and utilization of e-HRM practices is crucial for banking institutions. However, it is essential to acknowledge potential challenges related to system integration, employee acceptance, and data security to ensure the successful implementation and utilization of e-HRM practices. In summary, the study highlights the significance of electronic human resource management (e-HRM) practices as a strategic tool for enhancing bank performance. Furthermore,

it underscores the criticality of continuous technological advancements in the human resource processes of the banking sector.

Muhammad Arshad: Problem Identification and Model Devolpement

Khawar Abbas: Literature search, Methodology

Maria Gul: Drafting and data analysis, proofreading and editing

Conflict of Interests/Disclosures

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