e-HRM and its outcomes

A study of relational e-HRM in multinational companies

Bachelor’s thesis within Business Administration

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Abstract

Human Resources Management (HRM) is a crucial part of every organization as it deals with a vital resource: human capital. In the past 10 years, HRM has been going through a transformation adopting technological tools to improve its performance. Paauwe, Farndale and Williams (2005) said that “the HRM function is subject to radical and dramatic change because of the implications of web-based organizing” (p. 3). The combination of information technology (IT) tools in HRM processes has been named “electronic Human Resources Management” (e-HRM). E-HRM strives to implement all the operational activities that HRM is concerned with, with the help of technological tools in a fast and accurate way. The purpose of this thesis is to identify and explain the outcomes that multinational corporations experience by using relational e-HRM.

In this thesis, we chose to have a qualitative approach, gathering empirical results through in-depth, semi-structured interviews. A frame of reference that complemented our purpose was created based on previous e-HRM research. After gathering our findings, we analyzed the information using the theoretical framework. In the analysis we compared our theory to the findings, in order to answer our research questions and fulfill our purpose.

To conclude, we identified that the interviewed companies make use of e-recruitment, e-training and e-performance appraisal in their HR processes. The most significant outcomes were the increase of speed in processes, standardization, elimination of distance constraints and possibilities for data archiving. It is important to mention that in order to achieve better results, companies must combine e-HRM with face-to-face interaction. Lastly, it was discovered that apart from bringing positive outcomes, it is difficult to say if e-HRM is effective because there are no concrete ways of measuring it.
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1 Introduction

This section introduces the subject of the thesis and provides background information on the discussed topic. It also presents the problem specification and purpose of this Bachelor Thesis.

Nowadays, technology is an inherent part of our daily lives. People have been simplifying some routine tasks and problems with the use of computers and the Internet. It has sped up some processes and increased the efficiency of performed assignments. In contemporary business, information technology (IT)\(^1\) tools are fundamental to realize processes in a faster and more efficient way. Global competition is demanding and organizations have to use innovative ideas to stay competitive. Every department in a company plays a fundamental role for success, but we believe that there is one of special significance: Human Resources Management (HRM).

This paper will evaluate one specific area of businesses, HRM, and even further focus on electronic Human Resources Management (e-HRM). Some researchers within the field claim that it has various effects on the HRM processes, either positive or negative. The subject is interesting for us, therefore, we will conduct an analysis of a few corporations that already use e-HRM systems, and evaluate whether the desired effects are the actual outcomes.

1.1 Background

The Human Resources Management’s function in any organization is crucial, because it deals with a very important and difficult to manage resource: human capital. People make the organization work. Firms need to recruit, find the best person-job fit and retain talented employees (Laumer, Eckhardt, & Weitzel, 2010). Besides, HRM departments are created to manage all issues connected with the organization’s workforce. Such duties include employees’ performance, human resources planning, staffing, training, payments, compensations, employees’ benefits etc. (Stolt, 2010).

Stolt (2010) describes HRM as a way of managing the organization’s most important asset- the people who contribute to the company’s success either individually or collectively- in a planned and strategic way. During the last decade, HRM has been adapting to various changes and improvements. One of them is technology which has greatly affected the way HRM departments in organizations work. The development of the Internet and other IT tools drive companies to utilize its possibilities in doing business and improving performance. Paauwe, Farndale and Williams (2005) said that “the HRM function is subject to radical and dramatic change because of the implications of web-

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\(^1\) Information technology (IT)- technological applications and infrastructure that supports traditional business processes.
based organizing” (p.3). As a result of this particular change, electronic Human Resources Management (e-HRM) has become more and more popular in the last years. E-HRM strives to implement all the operational activities that the HRM is concerned with, with the help of technological tools in a fast and accurate way. It has been widely used to facilitate the recruitment and selection processes, from the simple task of uploading a CV to a webpage platform, filling an online job application to the moment of the actual hiring. Also, online training options and accessing performance information online is becoming more and more popular.

In this thesis, we will focus on the actual outcomes of e-HRM and examine if companies truly benefit from the use of e-HRM systems. We will dedicate the following thesis to the analysis of e-HRM and evaluate if the HRM departments of the companies that we will interview are affected by the use of e-HRM systems.

1.2 Problem

Creating innovative solutions to improve processes within companies is what any organization would like to achieve. Time is money, therefore, any tools that would speed up the company’s activities, improve productivity or cut costs, are being implemented. One of the biggest advantages of e-HRM is said to be cost reduction (Foster, 2010). This will be studied in detail in further parts of this thesis to find out if this statement is true.

Additionally, e-HRM makes use of tools such as Internet and software which in theory, should facilitate the flow of information and communication between employees. It can also provide an online selection of employee trainings and courses, present valuable data easily accessible to all staff members (Paauwe et al., 2005). Most large organizations use e-HRM systems to attract future employees (Stone & Lukaszewski 2009). Additionally, these systems are increasingly used to train employees, manage their performance and administer compensation and benefits (Gueutal & Stone, 2009). All aspects mentioned before sound appealing to any organization. However, prior e-HRM studies have not fully proven if these advances in HRM have had only positive effects. In some cases, it is believed that electronic systems cause negative attitudes of employees, since they lack personal communication and human interaction (Stone & Lukaszewski, 2009). Additionally, if the workforce is not properly trained in the usage of those systems, it may result in slower task performance and increased long term costs.

Therefore, it is interesting to examine what really is the case with e-HRM. The problem to be researched is whether electronic HRM systems bring any positive or negative outcomes to its users. We want to see if multinational corporations that implemented e-HRM tools are satisfied with the changes it has brought to their work. Still being a relatively new development, e-HRM is evolving and will be growing in the coming years.
As mentioned by Fletcher (2005), it is an exciting time to be in HRM (cited in Gueutal, & Stone, 2009).

Therefore, the human resources function in the digital age, the effectiveness of the new systems, arising opportunities and challenges are issues that we will research in this thesis. As we have found in existing research, the most visible changes have occurred in relational e-HRM\(^2\). For this reason, we will focus on those components of e-HRM in this Bachelor Thesis. We believe, that e-HRM is the future of human resources in organizations. With time, more and more companies will start making use of available web-based personnel management. It is a very up-to-date topic, especially for multinational corporations. Those are the ones we would like to put a specific focus on, as that is where our personal interests lay.

1.3 Purpose
The purpose of this bachelor thesis is to identify and explain the outcomes that multinational corporations experience by using relational e-HRM.

1.4 Research Questions
In order to facilitate the research process we have come up with two research questions:

- What parts of relational e-HRM do companies use in their HRM processes?
- Is relational e-HRM perceived as effective?

1.5 Perspective
In this thesis we will follow the “employer” perspective due to the fact that our focus will be on relational e-HRM (recruitment, selection, training, development, etc.) and we believe our future results could be of use to corporations and managers. We hope, that our analysis will uncover ways to improve e-HRM systems and practices, that could be of use to employers.

1.6 Delimitation
This thesis will not attempt to deal with the entire e-HRM field. We will focus on the companies that already use e-HRM systems. Furthermore, due to our contacts in the Netherlands, Poland and Sweden, we will concentrate on how multinational corporations in those countries make use of e-HRM tools to gain competitive advantage.

\(^2\) Relational e-HRM- type of e-HRM that is concerned with processes such as recruitment, trainings and performance appraisal.
2 Definitions

In order to help the reader of this thesis to understand the field we are going to research, several definitions will be presented, that in our view are of great importance to the topic.

Electronic Human Resources Management (e-HRM)- is a term that includes all HRM processes which are performed with the help of information technologies to generate value for organizations. Moreover it offers the opportunity to automate administrative HRM work and to optimize value creating HRM processes. (Biesalski, no year specified).

Effectiveness- determines among all the possible processes the optimum strategy that will maximize the outcome on its highest level. It is frequently quoted as “doing the right things” (Lu, & Hung, 2011). The term “effectiveness” with regard to a company could be understood as the degree to which the organization achieves the goals that the stakeholders expect from it; within the Human Resources Management field, effectiveness takes a slightly different way: according to Boundarouk and Ruël (2005), effectiveness can be identified by the level of commitment, development and change that the employees show in response to the HRM practices.

Efficiency- in the e-HRM context, efficiency is often associated with the capability of the employer to use any web-based technology in order to transmit certain information to the employees in the fastest way possible. Moreover, efficiency refers to the ability of getting the same results but with the less effort or cost.
3 Methodology

The goal of our data collection is to obtain honest and accurate answers to identify the companies’ perceptions of relational e-HRM. These goals need to be fulfilled to get a better understanding of the functions and outcomes of electronic Human Resources. For this reason, this section will describe the methodology used to interpret our study and justify, how these methods are beneficial to our thesis.

3.1 Interpretivism

We have chosen to use an interpretivist view for our thesis. Interpretivism states that social interaction is founded around action, consciousness and unpredictability (Livesy, 2006). This means that we, as human beings, are aware and have our own perception and views of the unpredictable environment (subjective approach). In this approach, the researcher has to identify the meanings and reasons of why people do and act a certain way. The way of exploring this is by actually blending in with society and experiencing the “why” of people’s behavior (Ragsdell, 2009). In order to understand an unpredictable society that has their own perceptions, interpretivists may misguide their objectivity after emerging in the research.

For this reason, we should keep our stand of neutrality during our study. Regardless of the subjectivity, interpretivism matches our needs in this research because we want to identify how corporations are affected by the use of relational e-HRM. We will do this by having a personal approach (through interviews) with employees of multinational organizations because they are the ones with the experience about our subject. Interpretivism states that in order to identify people’s behavior, one must blend in to experience what they experience. We want to gain the interviewees’ trust to be able to collect honest and accurate responses. Some number of outcomes can be measured in a quantitative way, but effectiveness in relational e-HRM processes needs a qualitative approach.

3.2 Qualitative research

As mentioned in the previous section, we decided on conducting our research using qualitative methods. There are several reasons for our choices and we will explain those here. When choosing methodology, the crucial question is what the authors are aiming for. Basing on the distinction between qualitative and quantitative methods, we have chosen the qualitative approach. From further characteristics of this method, we recognize the following: collected data is in form of words, not numbers. When we analyzed the characteristics of a quantitative study, we realized that it does not fit our topic. Numerical information, presented in a statistical way could have been done, but feasibility and available resources had to be taken into consideration. Given the time for completion of this thesis, we decided on conducting an in-depth study of a few companies, rather than a very broad discussion on many of them.
In this thesis, we were aiming to get rich data, full of information that could help us make our own interpretations, and in turn suggest changes and improvements in the interviewed companies. To get a grasp of how relational e-HRM processes affect companies, one must understand the perceptions and attitudes towards this subject. It is difficult to analyze these notions in numerical forms. For this reason, the qualitative method is the most adequate to help retrieve information to fulfill the purpose of this thesis.

The downside of choosing a qualitative study is the risk of bias. Prior to our research we have read many scientific articles and books on HRM, specifically e-HRM. Additionally, we took courses in the field. All of these aspects made us create our own stand and opinion about the subject. Our conclusion from studying existing research was that e-HRM supports traditional HRM departments with some benefits (namely: cost efficiency, time reductions and headcount reductions). As opposed to the disadvantages of e-HRM (losing the personal connection within organizations), we thought the benefits outdo the downsides.

Having kept this in mind during our entire research, we tried to be as objective as possible. As we were the main and only instruments for collecting data, we understood that during our interviews we would still keep our subjective (positive) approach towards e-HRM in mind. Our personal beliefs, values and knowledge surely influenced the research. We recognize this issue as the main disadvantage of choosing qualitative research. However, to compensate for our subjectivity, and to make our research more credible we asked fellow students to review our work and give us feedback on the paper’s objectivity.

3.3 Inductive Research

In our thesis, the inductive approach will be used since we will focus on a specific topic (relational e-HRM and its outcomes) and try to find a conclusion based on our analysis.

The inductive approach develops a theory based upon the results from the analysis of the data that has been obtained (Saunders, Lewis & Thornhill, 2008). It is commonly used in preliminary, qualitative and exploratory research (Reis & Judd, 2000). This approach moves from more specific questions and works back to more general questions (Punch, 2005). Induction begins with observations, moving forward to detecting a pattern, and at the end reaching a conclusion (Babbie, 2008). This method also needs a fewer sample which would match to our research needs.

Observations will be needed to find the perceptions that people have of e-HRM strategies. Additionally, we will focus on interviewing just a small number of companies. For this reason, we have chosen to focus our study on qualitative and inductive approach. We believe this methodology fits best to our goals and can fulfill our purpose.
4 Frame of Reference

In the following section, we will present previous research done in the field of e-HRM and the factors of acceptance and efficiency of e-HRM. We will use two models in order to fulfill our purpose.

Figure 4-1: Approach for fulfilling the purpose.

Since the topic of e-HRM is relatively new, it has not been well researched yet. Therefore, in our analysis we will use theory from only a few authors that we managed to find during our work. Those authors have conducted several studies on the topic of e-HRM. We will use most of their results and add other available authors.

4.1 E-HRM

To understand e-HRM, one must know what it actually means. Electronic Human Resources Management is a relatively new term in organizations. Therefore it can be easily
misinterpreted. We have presented a very general definition of e-HRM at the beginning of this thesis. However, there has been many explanations of e-HRM presented in various journal articles. As stated by Ruël, Bondarouk & Looise (2004), e-HRM is the use of web-based technologies for the implementation of various HRM strategies or practices. An additional definition stated by Bondarouk and Ruël (2009) says that

“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” (p. 507).

Through the process of this research, we will use the latter definition. This is because we believe that it captures all important components of e-HRM and as stated by its authors, it is a consensus understanding of most existing definitions of e-HRM.

Previous researchers have divided e-HRM into three types: operational, which involves strictly administrative functions (salary and personnel data administration), relational, concerned with “business processes” (such as recruitment, training and performance appraisal) and transformational, related to strategic human resources actions, such as organizational change and strategical re-orientation (Snell, Stueber & Lepak, 2001; Ruël, et al., 2004). This division was also described as goals of conventional HRM. According to Parry & Tyson (2010), e-HRM is supposed to support the role of traditional HRM in fulfilling its goals. Those are similarly divided into: operational, relational and transformational. As for operational goals, they mainly concern the reduction of costs and improvements of efficiency. Further, relational influence of e-HRM helps employees to administer their data themselves (i.e., performance measurements, training options online) and managers to speed up some important processes (i.e. selection of job applicants). Lastly, transformational e-HRM provides employees with endless possibilities when it comes to communicating from different parts of the world and during different times of the day.
4.2 Categorising approaches to studying e-HRM

This category developed by Ruël, Bondarouk and Looise (2004), provides sort of a structure to all existing literature on e-HRM. It combines different authors’ views and findings and creates a framework. Since e-HRM is quite a new subject, not many research has been done in this field. Throughout the study, main authors have been identified. Ruël and Bondarouk have been referenced several times in articles and books about electronic Human Resources Management. For this reason, we chose to use their classification.

4.2.1 Initial strategy, goals, types

In this thesis, we will only concentrate on two parts of the presented model. We will not discuss the first two sections, namely initial HRM strategy and e-HRM goals. We have chosen relational e-HRM as a type of e-HRM to be dealt within this paper. Operational and transformational processes will be omitted. The last part of the model suggests outcomes of electronic HRM, however, we will present our own expanded outcomes that would results from our research and analysis. The reason for omitting the mention parts
is that our focus only lays on relational e-HRM and we want to identify and explain outcomes from the interviewed companies. These results will be compared with our frame of reference. A general description of the whole model will be presented below, to help the reader have a better understanding of this framework.

The category developed by Ruël, Bondarouk and Looise (2004) firstly describes that every organization which decides to implement e-HRM, needs to have an existing strategy and policy for traditional HRM. Beer, Spector, Lawrence, Mills, & Walton (1984) divided those policies into three types: bureaucratic (in organizations operating in stable technological and socioeconomic environments), market (companies within markets with high fluctuations that need to respond to changes quickly) and clan policies used by organizations that rely on innovation and delivering quality to their customer (cited in Ruël et al. 2004). Depending on the state of the organization with traditional HRM and their policies, stakeholders make decisions about e-HRM. This part will not be discussed in our research. The reason for that is the fact that our interviewees did not experience the time of traditional HRM within their organizations and therefore could not explain the strategies of the “old” HR departments. Moving further to the second part of the classification, Ruël et al. (2004) have described the different goals of companies that implemented online personnel management systems. The company’s initial strategy would have an impact on the types of goals the organization was willing to achieve. The authors of the model have identified three types of goals that could be fulfilled with the use of electronic HRM:

- development of the strategic focus of Human Resources Management,
- reductions of costs and increased efficiency,
- improvements in customer service and assistance for employees.

For those types of goals, strategic issues are part of transformational e-HRM described in the following section. It is important that HRM departments focus on those matters as they add value to the organization. Additionally, HRM managers should ensure efficient work and keep costs in mind, finding ways to reduce them. Lastly, HRM departments need to be service-oriented towards both employees and managers.

We will not focus on e-HRM goals in this research. This is because the people we interviewed have not experienced the transformation from traditional HRM into its electronic forms. They could not answer questions about goals associated with e-HRM’s adoption. They have been working for the companies for a short time, and often the organization has been using online systems for a long time already. From that distinction of goals, an organization should be able to decide on which e-HRM type it should focus. As mentioned before, several authors have divided e-HRM into three types. The same division was presented in this classification. The distinction is made to operational, relational and transformational e-HRM. Ruël et al. (2004) also suggest the areas of concern for the different types:
• Operational- any administrative activities within HRM, for instance salary or personal data management
• Relational- more advanced HRM issues, such as training of employees, recruitment and selection of new candidates and performance appraisals
• Transformational- area with a strategic focus, i.e. re-orientation of strategy, knowledge management etc.

As we believe that relational e-HRM experienced most changes from the implementation of e-HRM, only this type will be discussed further. This helps to narrow down our study to specific issues and not discuss the entire area of e-HRM.

4.3 Relational e-HRM

As we will discuss and research the relational type of e-HRM, it will be described more broadly, while the other two types will only be mentioned for the general understanding of the model. Companies deciding to use e-HRM systems have the choice to implement web-based solutions to all areas of the chosen types, or only some.

Relational e-HRM takes less care about the administrative processes and focuses more on developing advanced activities regarding the interpersonal field, it means activities that have the closest contact with the people and their role within the company. This type takes an important part in our research since it controls the first degree of interaction between employers and employees. Moreover, relational e-HRM aims at tools that enhance basic HRM processes such as recruitment and selection of new personnel, training, performance management and appraisal, motivation and rewards (Ruël et al. 2004). Furthermore, it provides new ways of interaction between individuals that are spatially separated, and creates heterogeneous networks within the departments of a company, enhancing the integration and communication; not only between people inside the organization but also with different “outside stakeholders” such as job candidates, external information sources and other HR professionals. The far reaching potential of relational e-HRM, leads to standardization of processes between actors, no matter the culture, language or country where the company has its operations (Strohmeier, 2007). In addition, and as stated by Ruël et al. (2004), relational e-HRM decentralizes the execution of the Human Resources activities and helps to centralize the policy making on the head HR department.

Considering specific parts of relational e-HRM, for recruitment, an organization can decide where to seek new employees and in what ways to select them. It could be done in an electronic form, through a webpage or a web-based recruitment platform, or in traditional paper solutions (newspaper advertisements, paper applications and letters). For some parts of training, a firm can decide to invest in an online platform for employee development. This is particularly useful for companies with many locations that want to provide training for geographically dispersed workforce. Additionally, using perfor-
mance appraisals online could result in better access to past information, and in turn better efficiency and productivity results (Ruël et al. 2004).

In other words, the use of technology promises to improve the processes of the relational activities. Therefore, below this section we will consider and explain each component of relational e-HRM, as this is the most crucial part of our thesis.

4.3.1 E-recruitment

One of very important components of relational e-HRM is e-recruitment. As stated in Barber (1998), recruitment “performs the essential function of drawing an important resource- human capital- into the organization” (cited in Parry, & Wilson, 2007, p. 655). As conventional staffing is timely and costly, organizations have to adopt strategies that would minimize the time and money used (Tong, 2009). This is why online recruitment has become more and more popular in the last decade, and nowadays, most companies use it as the first stage tool in their recruitment process. According to Sylva & Mol (2009), organizations that want to stay competitive need to adopt electronic recruitment strategies.

After reading and analyzing different approaches from various authors, we understand that e-recruitment can be considered as the process by which employers advertise and share openings through web-based platforms or Internet. As stated by Stone, Stone-Romero and Lukaszewsky (2006), one of the main objectives of the e-recruitment process is to share the job vacancies with the biggest amount of potential candidates, this means, attract and filter key applicants who have the necessary skills for the job offered. Through online recruitment systems, organizations can not only share important details about the positions available but also more specific information such as job descriptions, organization’s culture or brand identity and job incentives (Stone, Stone-Romero & Lukaszewsky, 2006). Allen, Mahto & Otondo (2007) found that the appearance of a company’s webpage has a positive relation to employment incentives (cited in Lyons, Marler, 2011). Online job advertising allows companies to open all this information to the applicants since the first contact.

In addition to all the characteristics mentioned, web-based recruitment tools, also give future employees the chance to experiment what it is like to work inside the organization on a regular day with different visual aids (videos, picture galleries, animations etc.) that can help applicants to evaluate if their needs will be satisfied with the job and decide whether to continue with the process or head to a different direction. For instance, companies such as Google and Skype, have created interactive sections on their webpages where anyone can have an inside view of their offices. By streaming a set of videos and some other aids, these companies promote a relaxed atmosphere and well equipped facilities which aim to assure future employees a pleasant workplace.
In accordance to this, organizational goals and culture play an important role in recruitment process; “web-based systems are more likely to be effective if they enable organizations to attract applicants who meet organizational expectations than if they do not” (Stone, Stone-Romero, Lukaszewski, 2006, p. 232). Therefore, the recruitment process should provide both employers and applicants with information useful to match the candidate with the specific job, reducing time and costs involved. As described by Parry and Tyson (2010), usual recruitment is mostly handled by junior HRM managers. Therefore, reducing the time of performed operations through e-recruitment will not be of so much value to the organization. However, it will help companies reduce the number of HR personnel, which could result in efficiency savings (Parry & Tyson, 2010). On the other hand, Dickinson and Tatton (2011) mention that the automation of the recruitment process has increased the speed of the process and helped HRM professionals to devote more time to value adding activities. Additionally, e-recruitment allows storing great amounts of CVs online, which makes the process unconstrained by geographical locations (Tong, 2009).

There are clearly various different results in all existing studies of e-recruitment practices. Authors ended with contrasting conclusions. Therefore, it is not apparent whether the digitalized recruitment improves efficiency of HRM departments. We will try to study this phenomenon in our research and come up with a unified conclusion.

4.3.2 E-learning/ training

An additional component of relational e-HRM is e-learning or e-training. This process is being implemented in companies since it does not have the limitations of traditional training, such as time and location (Bell, 2007). Moreover, Muller (1997) mentioned that the fast development of telecommunications has made e-learning possible and advantageous (cited in Kasprisin, Single, P. B. Single R.M., & Muller, 2003). E-learning is also less expensive than traditional training because companies do not have to book training rooms, pay for travel costs and trainers (Strother, 2002). To have a better understanding of this term, we decided to use the definition below. Kaplan-Leiserson (2002) stated that the American Society of Training and Development defines e-learning as

“a wide set of applications and processes, such as web-based learning, computer-based learning, virtual classrooms, and digital collaboration” (cited in Oiry, 2009, p. 112).

As mentioned previously, the time and location restrictions have been eliminated with the help of technological advances. The connection between mentor and trainee can occur in different geographical locations and in different time zones. In addition, standardization of training, self-learning, and the availability of learning content has made e-learning an attractive option for organizations that have the necessary resources. For a company to make the transition from traditional to new ways of training, it must com-
pare the two methods and analyze how e-learning could bring benefits to the firm and its employees.

Before implementing e-learning, companies used traditional training to help employees develop their skills. This method is characterized by a teacher giving a course to a class with “learners” in a specific location and a specific time. To overpass the time and location obstacle, more companies are applying e-learning techniques. As mentioned by McCormack & Jones (1997) this method allows employees to train whenever they want (cited in Oiry, 2009). Having the freedom of training employees and not paying for travel costs allows companies to save money. According to Strother (2002), IBM saved US $200 million in 1999 by using new e-training techniques.

A characteristic of e-learning that can be of advantage over traditional training is that the mentor and the learner do not go through the learning process face-to-face (this can also be a disadvantage which will be explained at the end of this section). In the first stage of mentoring, the apprentice can be intimidated and show lack of openness due to the instructor’s higher status (Kasprisin, et al., 2003). E-training may decrease those initial feelings because the interaction is done through a computer or other technological tools. In addition, since the interaction between the parties does not occur at the same time, the trainee has time to think about the response he or she will give and can be more reflective (Kasprisin, et al., 2003).

Traditional face-to-face training is limited to smaller groups in order to have better results. In this type of training, having a big group meant more work for the trainer and the risk of not getting everyone’s attention. With e-training, organizations have the ability to coach more personnel simultaneously. Multinational corporations can have trainings with different personnel from their subsidiaries from different locations at the same time and cut down costs.

Companies must be aware of positive and negative characteristics if they want to implement e-training. Cost saving is an important goal for every organization but the consequences brought by this goal must be monitored carefully. It is said that e-learners have the need to socialize with people in order to feel involved in the learning role (Oiry, 2009). In other words, once a person is trained, he or she needs to make sure the learning outcome was achieved. A good way of doing this is by having interaction with trainers and other trainees face-to-face. For this reason, companies are implementing what is called “blended learning”. According to Mantyla (2001), blended learning is the use of two or more methods to improve the content of a course and the learning experience of a learner (cited in Oiry, 2009).

To conclude, e-learning is creating benefits by saving time, eliminating location constraints, cutting down costs and creating standardization in training processes. On the
other hand, it still lacks the “socialization” part of the learning process. Employers need to mix both electronic training with personal interaction to guarantee better results. Depending on the training, Employees should be supervised by tutors when taking part of e-trainings. For this reason, it is important for companies to implement “blended learning” which will bring benefits to the company and at the same time, be beneficial to its employees.

4.3.3 Online performance appraisal systems

One of the issues that relational e-HRM is concerned with are online performance appraisal systems (e-PA). In fact, as Gueutal (2003) states, the fastest growing e-HRM trend is employee self-service systems, which give them the possibility to manage their own information in an online network (cited in Payne, Horner, Boswell, Schroeder, & Stine-Cheyne, 2008). On the other hand, companies use managerial self-service, that allows the managers to access employees’ information and complete performance evaluations. Electronic or online performance appraisal refers to the use of technology necessary to create systems and processes by which the employees are evaluated and rated, according their performance on the tasks needed within a company.

![Figure 4-3: Features of effective appraisal. (Piggot-Irvine, 2003)](image-url)
In order to understand online performance evaluations, it is crucial to first look at general features of appraisals. According to the model of effective appraisal in the figure above (Piggot-Irvine, 2003), there are several features that have to be fulfilled to give useful and valuable feedback. As Piggot-Irvine (2003) says, appraisal should highlight employees’ strengths and weaknesses, as well as show the road for prospective development. In order for the process to be considered reliable, the information used should be objective and not “loose and casual”. Lack of objective data could result in the perceived lack of transparency and injustice among employees. Moreover, the evaluation should be transparent and confidential. It may seem like these two criteria exclude themselves, however there is an explanation for it. The appraiser should be strictly confidential with all the information accessed and gained, and needs to ensure the respondents that their data will not be tampered with (Piggot-Irvine, 2003). Additionally, mutual respect and trust should be of no doubt, and should be contained throughout the whole year and not only in the evaluation period (Appelbaum, Roy & Gilliland, 2011).

This model presents ten key criteria for an effective appraisal. The benefit of this is that hardly anything is omitted, however it may seem overwhelming. The model cannot be fully applied to online or web-based solutions for performance evaluations. Features like “mutual respect” could only be used for face-to-face conversations; it is hard to respect a computer system. However, we should look beyond the obvious. Therefore, we think mutual respect suggest an attitude towards the appraisal. Managers should keep in mind, that it is people on the other side who will receive the evaluation and (in the perfect situation), will have a personal meeting with the manager to discuss the feedback. Furthermore, some of the factors in this model are automatically fulfilled by the use of an online performance appraisal (PA). For instance, transparency is easily achieved with online PA systems, as well as the continuity of the process (with the help of archived data).

Previous research has shown that online performance appraisal systems reduce companies’ costs and increase the speed of the process. Additional advantages of those systems include the storage of historical data that helps managers to compare the employees’ results and evaluations for the last years in an easier way. Thanks to that, employees see the differences and similarities in received feedback and can access it at any time, and therefore control their own work in terms of suggested improvements at any time of the year. Besides from the system being accessible at all time, it can also be restricted by user names and passwords. In some pieces of software, it can be viewed who accessed the system and left comments. This can improve the transparency of performance appraisals and help the accountability of the rater (Payne, et al. 2008). Payne et al. (2008) also made the assumption that online performance systems may help the perception of information being kept secure, instead of being placed in employees’ files in offices. However, the later research has shown that this was not the case and the perceptions have not differed from the traditional “paper-and-pencil” (P&P) performance approach.
The general conclusion from previous research is that online performance appraisal systems have either a positive or no effect on various parts of evaluation, i.e. security of the ratings or rater accountability. However, organizations should ensure that all users of those systems are given necessary trainings on how to use them, in order to feel comfortable with them and receive benefits from its usage.

4.4 e-HRM outcomes

Finally, the last part of the classification describes the e-HRM outcomes. It is logical that an organization that adapted e-HRM strategies, would expect visible results and outcomes. Beer et al. (1984) divide these into four possibilities (cited in Ruël et al.2004):

- high commitment, related to motivation and understanding of the workforce;
- high competence, that describes the abilities of employees to learn new tasks if required;
- cost effectiveness, related to employee turnover rates and pay competitiveness
- higher congruence, which is concerned with the internal organization.

As mentioned before, in this thesis we will create our own list of e-HRM outcomes. This is because Beer’s division is not completely adequate for our study fully, for instance “higher competence” would require taking an employee perspective. Therefore, our results and analysis will present our own list of results from the usage of e-HRM.

To sum up, the e-HRM classification is a combination of existing research on this topic. Before analyzing it, we have read various different articles that provided the same information and findings on the issue. For this reason, it is a good framework that will guide us through our research. We want to stress again, that the parts of the categorization covered in our analysis will be the relational type of e-HRM and the e-HRM outcomes, that would be developed by us in the later stages.

4.5 Model of factors affecting the acceptance and efficiency of electronic HRM systems

The main purpose to use this model is to explain what are the possible outcomes of companies that use electronic HRM systems. It will help us understand how information technology affects HRM processes which can lead to different outcomes. In e-HRM, most communication is done through technological tools such as the Internet, computers, etc. If the message is not given in a clear way, it can easily be misinterpreted, creating uncertainty for employees which can affect the efficiency of the organization. Therefore, the model is important to fulfill our purpose and answer our research questions.
Figure 4-4: Model of factors affecting efficiency of e-HRM.

Stone and Lukaszewski (2009) stated that if the employer and employees have a better comprehension of communication processes, the effectiveness of e-HRM systems will improve. In addition, they claim that individuals’ goals and job relevant resources (skills, knowledge and abilities) are important determinants of their intentions and behaviors including: joining and staying in the organization and fulfilling the organization’s goals (Stone & Lukaszewski, 2006). For this reason, good communication within the company and a good working environment will help enhance efficiency and acceptance of e-HRM systems.

This model has been created and expanded from the author’s previous research. The following points have been added to their existing study: e-HRM systems change the nature of communication media and message characteristics (Stone & Lukaszewski, 2009). This model will be used to explain how technological advances used in HRM affect the performance of employees which in time, affects the organization.

The first part of the models is the characteristics of communication media. This section states that e-HRM uses different sorts of media to communicate HRM information. For example, e-HRM systems use electronic media instead of face-to-face interaction to communicate HRM related data (Stone & Lukaszewski, 2009). Electronic media is perceived as fast and an efficient way of communicating between receiver and transmitter. Even though advances such as Internet, intranet, and email seem to be beneficial, re-
search indicates that electronic media is highly impersonal and lacks the richness of face-to-face communication (Hinds & Kiesler, 1995). These technologies lack facial expressions, nodding, smiles, eye contact, tone of voice and other non-verbal behaviors that give senders and receivers information they can use to communicate (Kiesler, Siegel, & McGuire, 1984). For that reason, as the expanded model suggests, e-HRM systems are less likely to capture individuals’ attention compared to the old HRM practices. Additionally, electronic systems may not give the individual the opportunity to ask questions, creating doubts. This can play an important role in relational e-HRM when future candidates want to apply for positions in a company. If the message is not understood correctly by the receiver, him/her might lose interest in the given position.

Besides having an impact on individuals’ attention, the model suggests that these systems may have an impact over individuals’ attitude (Stone & Lukaszewski, 2009). E-HRM systems may give the impression that a company is more concerned with cost savings or efficiency improvements than people (Stone & Lukaszewski, 2009). If employees are not responding positively to the company’s policies, we could assume that the e-HRM department is not doing something appropriately.

The second and last part of this model is the message characteristics used by e-HRM systems. Stone and Lukaszewski (2009) claims that e-HRM systems change the characteristics of a message. One of these characteristics that may affect the comprehension and the attitude of the receiver is the personalization of the message. People are social beings and messages communicated by humans are likely to be viewed as more sincere than those given by objects (Beninger, 1987). For this reason, companies should use personalized messages to have a positive impact on employees’ comprehension and attitude. For instance, a former employee may have a better reaction towards a company if he/she gets a personalized performance appraisal rather than an email. One more characteristic that may be affected by e-HRM systems is the information richness (Stone & Lukaszewski, 2009). A given message may not be clear when given through an email, therefore companies must ensure to have a two-way communication with its employees. One way that e-HRM is ensuring the richness of the information is by using videoconferencing. This tool provides richness in information because it includes audio, visual and non-visual cues (Baltes et al., 2002). Consequently, a corporation has to ensure information richness in their e-HRM systems to obtain employees’ attention and comprehension of HRM information (Stone & Lukaszewski, 2009).

4.6 Summary of Frame of Reference

The theory used in the Frame of Reference was carefully chosen with the intention to accomplish the purpose of our thesis. The concepts used were structured giving a small introduction about e-HRM and later referring to two models. The titles and subtitles will determine the importance that we gave to each section.
Basing ourselves on previous research, we created our own definition of electronic Human Resources Management. We define it as a term that includes all HRM processes which are performed with the help of information technologies to generate value for organizations. To create a better understanding and aid future research, we based ourselves in Bondarouk and Ruël (2009) definition since we believe it covers the most important aspects of the subject. The authors state that “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” (p. 507).

With the purpose of going deeper to our focus (relational e-HRM), we used the e-HRM model (categorizing approaches to studying e-HRM) developed by Ruël, Bondarouk and Looise (2004). This model has four parts, initial HRM strategy and policy, e-HRM goals, e-HRM type and e-HRM outcomes. From the mentioned model, we will use e-HRM type and we will identify our own outcomes from our findings and discard the other two parts of the model (initial HRM strategy and policy). The reason for this is that our focus lays only on the relational part of e-HRM, therefore, the other two sections of the model are not needed. Furthermore, this theory states that there are three types of e-HRM: operational, relational and transformational (Ruël et al., 2004). As mentioned in different parts of the thesis, our main focus will be on the relational processes of e-HRM. Thus, operational and transformational will not be used. To have a better understanding of our research, we have created a model with the theories that will be used to fulfill our purpose.

Figure 4-5: Focus of the study.
Relational e-HRM focuses mainly on interpersonal activities regarding an organization. These are processes in which personal interaction is present and fundamental. The main components of this type of e-HRM are e-recruitment, e-training/learning and e-performance appraisal (Ruël et al., 2004). Our focus is mainly on these because this is what interests us and we believe human capital is a crucial resource for companies.

E-recruitment is one of the three components of relational e-HRM. After studying different articles and books about the subject, we learned that companies implement web-based platforms and the Internet to advertise and employ new personnel. Many authors have stated different objectives for the implementation of e-recruitment such as communicating information about job opportunities and other important data about the organization (Stone, Stone-Romero & Łukaszewski, 2006). In addition, it is said that e-recruitment decreases the time of the process allowing employees to dedicate more time doing other activities (Dickinson & Tatton, 2011).

The next element of relational e-HRM is e-training or e-learning. According to Kaplan-Leiserson (2002), the American Society of Training and Development defines e-learning as “a wide set of applications and processes, such as web-based learning, computer-based learning, virtual classrooms, and digital collaboration” (cited in Oiry, 2009, p. 112). It is said that this new form of training saves costs because companies do not spend on travel expenses, room booking or employing tutors (Strother, 2002).

The last section of relational e-HRM is online performance appraisal. It is used by organizations in form of electronic systems to give evaluations and keep track of employees’ performance. In our research we discovered that these form of evaluation should emphasize staff’s weaknesses and strengths and give direction for development (Piggot-Irvine, 2003). The theory collected shows that online appraisals reduce costs and increase the speed of the evaluation process. Additionally, companies have the advantage to use these systems to store personnel’s information and keep track of their performance.

In addition to this theory, we will also use a model that explains the factors affecting the acceptance and efficiency of electronic HRM systems (Stone & Łukaszewski, 2009). This model includes two parts, communication media and message characteristics. The purpose of this theory is to explain how electronic tools affect people’s attitude towards e-HRM systems. A negative approach from employees can lead to negative outcomes within an organization. For this reason, it is important to consider all aspects of this model.

As mentioned previously, the first part of the model is communication media. This section states that e-HRM systems use electronic tools instead of face-to-face communication (Stone & Łukaszewski, 2009). Technological advances are said to improve organization’s processes, however, they are highly impersonal and lack the essence of face-to-
face interaction (Hinds & Kiesler, 1995). In addition to this, since these tools are not personalized, the receiver may not understand the message and lose interest. For this reason, companies need to keep this in mind to not damage the organization’s image and keep a good relationship with stakeholders.

The last component of the model and our frame of reference is message characteristics. This part states that tools used in e-HRM change the characteristics of the message or idea (Stone & Lukaszewski, 2009). Since people are social beings, we perceive information received from other people as more honest, in contrast to objects such as computers (Beninger, 1987). Companies need to assure personalized messages to guarantee that employees understand what they are being asked to do. If a worker receives an electronic performance evaluation and does not understand the information, he or she will want to discuss the appraisal with the manager. If there is no personal contact with management, negative attitudes can arise from this lack of personal interaction.
5 Method

This section will describe the chosen methods used for fulfilling the purpose of this thesis. In addition, an explanation will be given for why the following methods were selected and in which ways they were used.

5.1 Data Collection: Interviews

Having decided on interpretivism, inductive and qualitative approaches, we believe that the best data collection tools connected with this methodology are interviews. To facilitate the process of fulfilling our purpose and research questions, we must have contact with people that know e-HRM and work daily with the process. Several reasons will be presented in order to support our decision.

Firstly, interviews are a well known data collection instrument in qualitative research. Additionally, it is said that interviews are more personal than most of other data collecting methods (Punch, 2005). An advantage of using this form of data collection is that the respondents can give detailed information about the topic. We are trying to discover what are the true outcomes for companies that use relational e-HRM, therefore, asking employees within HRM departments will be very valuable for our research. Moreover, we as interviewers can control the information received and ask specific questions to find out more about our subject of interest (Creswell, 2008). There are three types of interviews: structured, semi-structured and unstructured interviews (Saunders, Lewis & Thornhill, 2007). These types are associated with face-to-face interviews.

After analyzing the three types, we have decided on using in-depth, semi-structured interviews. We prepared a list of questions to be asked, which depending on the situation and organization, context may be asked or omitted; different order of the questions may also be applied (Saunders et. al., 2007). We focused on open-ended questions that would help us in the later stage of analyzing the answers of our interviewees. Our aim was to ask the same questions to all companies, as only this way we could compare our results. This is because we are aiming to identify if all companies perceive relational e-HRM in the same way. Additionally, some of our interviewed companies did not use all relational e-HRM elements. This is not harmful to our research because it answers one of our research questions: What parts of relational e-HRM do the interviewed companies use in their HRM processes? What is more, using open questions gave us the possibility to resolve doubts, or get more information when spotting an interesting trend during the interview. We could also explain our problem properly to the interviewees and clarify misunderstood questions.

We also took disadvantages of the chosen methods into account. We realized that the results of the interview can be influenced by the interviewer’s views or beliefs (Creswell, 2008). Furthermore, the questions asked may be deceptive and provide sugges-
tions to the interviewee. To avoid this, we asked our tutor and fellow students for feedback on the neutrality of our questions. Besides this, it is said that the presence of the researcher affects the interviewees’ answers (Creswell, 2008). Therefore, we made sure that all face-to-face interviews are conducted in the respondents’ environment, so they feel relaxed and comfortable.

Our motivation for choosing this method was our belief that through semi-structured interviews we would get personal contact with people from the organization. We think it is vital to earn the interviewees’ trust and be able to get honest opinions on relational e-HRM practices and find the true outcomes in their company to fulfill the purpose of our study. With open-ended questions, informants would express their opinion more freely, and not be influenced by the suggested options (Bogdan, & Bilken, 2006). The respondents would not be forced into answer possibilities, but give their own opinions on the questions asked (Creswell, 2008).

However, our initial strategy for conducting the interviews did not work due to the chosen companies’ schedules. We had to find alternative ways of carrying out our research. Therefore, we decided to ask the companies to have either phone or e-mail interviews. This way, they could decide on when they want to answer the questions.

The advantage of having a phone interview was that it was easy to reach companies that were located outside of Sweden without incurring any costs except for the phone call. It is also faster compared to face-to-face interviews conducted in the companies’ offices. Phone interviews offer increased speed of data collection (Saunders et. al., 2007). However, not being able to have direct contact with the interviewee is a drawback of this method (Creswell, 2008). It would affect the answers by not being able to establish trust as in a face-to-face interview. Even if their response was honest, we will not be able to see the interviewee’s facial expression to perceive their feelings towards the question. Moreover, the non-verbal communication is lost when conducting research on the phone. The limited interaction may cause the researcher to have reduced comprehension of the answers given (Creswell, 2008). Another disadvantage of using this method is the fact that we had no access to professional recording devices that would allow us to record the conversation. Therefore, we had to make notes.

Besides from phone interviews, we conducted two electronic interviews. They were asynchronous (taken offline; not in real time) and conducted through e-mail (Saunders et al., 2007). This method is time efficient and allows the researcher to reach more people at the same time (Creswell, 2008). We sent the same set of questions to the e-mail respondents, as we planned for having during our face-to-face interviews. The downside of this is that there is no possibilities for asking follow up questions in real time. Also, the face-to-face interaction is lost. However, we will get all the answers on paper which will save us time on transcribing the interview.
Altogether, we have conducted three different types of interviews: face-to-face, phone and e-mail. The results of our communication with the companies will be presented in later sections of this thesis.

5.2 Data collection: website analysis

In order to deepen our research, we decided to conduct a website analysis of the chosen companies. This will be done to examine one of the parts of our interest- online recruitment. As mentioned before, many companies have a “Career” link on their websites. We will put ourselves in the position of a potential candidate and try to search for jobs in the chosen companies. The website analysis was created to support the theory of e-recruitment that was used to build the frame of reference. It was also used to reinforce the information gathered from the interviews. We believe that this will provide us with additional knowledge, and add value to the data gathered directly from the companies.

5.3 Stages of the research process

5.3.1 Choice of companies

After the second seminar with our supervisor, we began to think about the companies we would like to interview. From studying the existing literature, we knew that e-HRM was used mainly in big companies, therefore, we decided to focus on those. Our target was to reach companies with more than 100 employees, preferably with international offices. The reason for this is that we are a group of international students that would like to work in different areas in the near future. Consequently, we also decided not to do a study of only Swedish companies, even though we live in this country and this would be the easiest task. We sent e-mails to internationally recognized companies, with offices within Sweden, Poland and the Netherlands. The choice of firms was based on the country and size of the organization. Those countries were chosen, because of the connections we have established during our study abroad periods.

5.3.2 Research process

In the later stage, we sent out e-mails to multinational corporations asking to participate in our investigation. We developed a standard e-mail with some small modifications depending on the company of interest (we will include this e-mail example in our appendix section). In the message, we asked for a personal interview in the companies’ locations, as we wanted the interviewees to be in their natural environment. We thought this would make them feel comfortable and stimulate more honest answers. In total, we sent a total of twenty interview requests to companies in Poland, The Netherlands and Sweden. However, during the waiting process, we encountered some problems with some of the responses. Some companies did not reply at all and many found the topic inappropriate during this time in their organizations, as they had many lay-offs in the recent months.
Finally, we managed to conduct interviews with five companies. As mentioned before, due to their heavy agenda, we had to adjust our chosen method to the schedules of the interviewees. Since some of them did not have time for a personal meeting, we agreed on receiving data through e-mail interviews or by phone.

We were able to conduct three face-to-face interviews with length varying from 40 to 60 minutes, two e-mail interviews and one phone interview lasting approximately 20 minutes. Unfortunately, we did not manage to record all our face-to-face interviews, as bringing electronic equipment from outside the company was against the companies’ rules (Skype was the only company that allowed us to record the meeting). That was not practical, as we had to take notes during the conversation. This caused distraction from the subject since we had to focus on taking notes rather than on having a proper discussion. Critically speaking, it was our mistake as we expected the companies to allow the use of electronic equipment. Unfortunately we did not specify in our first e-mail that we would like to record the conversations.

5.3.3 Interview questions

Before the interviews, we decided on the preliminary order of the questions and placed them from the most essential to the least important ones. This was done in order to avoid skipping crucial issues due to lack of time of the interviewees. As some companies did not use all tools of electronic HRM, only appropriate issues were discussed and the rest was omitted.

As for the questions, we produced twenty eight which were divided in four sections. Firstly, we had general questions that concerned the adoption of e-HRM, the perceived advantages and disadvantages of the systems used and the time of usage of e-HRM (nine questions). Further, we had three sections relating to the different parts of relational electronic HRM. The parts were: e-recruitment and selection, e-training and online performance evaluation. E-recruitment section consisted of seven questions asking about the effectiveness of the system, attracting and selecting the right candidates and the managers’ feelings about the online recruitment process. Subsequently, there was the e-training section with seven questions regarding the usability and appropriateness of online training for different kinds of courses. Lastly, the online performance evaluation section was produced with five main questions about the look of the performance system and the way it is used by managers and employees. These were created mainly to serve us as an aid to gather the necessary information to fulfill our purpose and solve our research questions.

5.4 Data analysis

Analyzing qualitative data involves making sense of the content gathered in the data collection process. The researchers should ensure that answers to the research questions and purpose can be obtained with the analysis (Creswell, 2008). Several authors men-
tioned similar stages in data analysis (Creswell, 2008; Saunders et al., 2007; Thomas, 2006). In our work, we decided to follow the guides from Creswell’s “Educational research: planning, conducting, and evaluating quantitative and qualitative research” (2008) book. We believe that by using the steps presented by Creswell, we will be able to fulfill our purpose.

Firstly, in the data analysis process, the researcher should organize his or her data in a way that can be easily managed in the later stages. Therefore, we organized our data collected from the interviews in a table with the most important features (see: Appendix 9). We think that it clearly summarizes all the results and makes it easier to notice patterns. Further in Creswell’s analysis steps, the data should be transcribed, from notes or personal communication with the respondents and put into a text format. After that, the authors should decide whether to analyze their data by hand or by computer software. Since we conducted a study within five companies, it is not very time consuming to analyze the material by hand, and we can be closer to the results without machine interference. Afterwards, we conducted a “preliminary exploratory analysis” which as explained by Creswell (2008) consists of exploring the data and reading through it several times in order to get the general ideas stemming from the information. Later, Creswell suggests the use of coding data, however in our analysis we will rather divide the data into categories. We think this fits better to our research problem. Finally, we described in detail what we have learned during our study.

### 5.5 Reliability and validity of our research

For any researcher, it would be crucial to prove that their study is credible. Golafshani (2003) states that in the case of a qualitative study, where the researcher is the only tool of the research, the credibility depends on his or her efforts and abilities.

In quantitative research, the terms reliability and validity are used, however, in qualitative studies they are put into one term of credibility or trustworthiness (Golafshani, 2003). Stenbacka (2001) claims that the concept of reliability is not relevant in qualitative research, or might even be misleading. Additionally, as stated by Seale (1999), reliability and validity are not adequate for qualitative researchers; instead quality should be of biggest importance. We will focus on having our qualitative study credible to our readers.

As mentioned before, we were not able to record our face-to-face interviews. Therefore, we had to make sure that we took good notes and transcribed the interviews with much care and accuracy as the results, after time, can be easily misinterpreted (Silverman, 2000). We also realize that the interviews were conducted with individuals, which means that their opinions and beliefs could be different from the organizations as a whole. However, since the people interviewed came from within the company and have functions within the HRM department, we believe in their knowledge and experience in the field.
Keeping in mind that our study was qualitative with open ended interview questions, we avoided suggesting the answers to our respondents. That could be the case with closed questions with standardized options for answers. An important point to mention about the way the interviews were made is that, even though there is a Polish speaker in our group, we decided to have another member of our group to conduct interviews in Poland. We thought that this decision would help us avoid mistakes in translations into English and the interpretation of the results by other group members. All our interviews were conducted in English.

As for our thesis, it has been reviewed by many people throughout the process, lasting approximately four months. Our supervisor has reviewed it and gave feedback several times. Moreover, many fellow students gave us feedback during our seminar sessions. The people who reviewed it changed regularly; different groups gave us comments each time. Additionally, we asked other students from other countries to review our work. We believe that all the comments and support helped to make our study more trustworthy and credible.

**5.6 Ethics**

During the process of this thesis, we decided to take a strong stand on ethics. We made sure to comply with any rules that the organizations had (no electronic devices in the premises) and kept honesty during the process of communication. We sent the questions to the companies beforehand and made no changes to the questions during the interviews. Also, some companies preferred not to answer specific questions, as the answers were confidential for their organization. We assured that all information we received will only be used for the purposes of our research and will be presented to the firms after the thesis is finished. Only the information that was approved to be made public and presented will be used in this paper. The rest remains classified.
6 Empirical Data

In the following section, the interviews done with HRM managers and HRM personnel will be presented in a form of a descriptive summary. A short profile of every company will be introduced to have a better understanding of the research. Additionally, findings from the website analysis will be presented.

The empirical data shown on this chapter was collected from making interviews with employees in the field of HRM. Unfortunately, as mentioned on the Method chapter, some of the interviewees did not have time for a face-to-face meeting. Therefore, other approaches were used such as phone and e-mail interviews to collect our data. Most participants were HRM Managers but some HRM employees were interviewed as well. Multinational companies are the ones using e-HRM processes. Therefore, we focused on the mentioned organizations to collect our data (all transcripts of the answered questions will be attached to the appendices section).

6.1 LG Display

Table 6-1: LG Display information

<table>
<thead>
<tr>
<th>Company</th>
<th>LG Display</th>
</tr>
</thead>
<tbody>
<tr>
<td>Geographical Market</td>
<td>3 countries (LG Group with 80 countries)</td>
</tr>
<tr>
<td>Interviewee</td>
<td>Klaudia Morawiec and Magdalena Najman</td>
</tr>
<tr>
<td>Position</td>
<td>HRD Manager</td>
</tr>
<tr>
<td>Type of Interview</td>
<td>Face-to-face</td>
</tr>
<tr>
<td>Place</td>
<td>Poland, Wrocław</td>
</tr>
<tr>
<td>Date</td>
<td>05/04/2011</td>
</tr>
</tbody>
</table>

LG Display (LGD) is part of LG Corp and it is one of the largest LCD manufacturers in the world market. This company has manufacturing plants in South Korea, China and Poland (headquarter in Seoul). Two interviews were made with this company to obtain all the information required. The first interview was made with Human Resources Development (HRD) Group Manager, Klaudia Morawiec in the Polish subsidiary in Wrocław. The face-to-face interview was divided in two parts: recruitment and training. This encounter lasted an approximate of forty minutes. The second one was done via e-mail (due to lack of time) with HRD Senior Specialist Magdalena Najman. The questions regarding performance appraisal were answered through this mean. The results of this interview are as follow.
6.1.1 Recruitment

LG Display Poland uses e-recruitment to hire white-collar workers only; blue-collar employees undergo the old recruitment process. This company makes use of online portals, such as Stepstone and Praca.pl to advertise its job openings to potential candidates. The reason to use these portals to announce their vacancies is because their main target group is recent university graduates. Nowadays, more people in Poland have access to the Internet, especially college students. Additionally, these online portals make the process of recruitment faster.

When a person wishes to apply for a position at LGD, they must upload their CV on these websites. After this step, the potential applicant must answer questions which will depend on the position they are applying for. Later, the software in these portals can automatically separate candidates according to the answers of the candidates. This automated process increases the speed of selection. The applicants can later go online and check in which stage of the recruitment process they are at the moment.

E-recruitment, according to LGD’s HRM manager, has increased the speed of recruitment and selection. This electronic tool helps their HRM department review and manage CVs in a faster way. Additionally, it also helps create a better image for LG Display. The reason for this is that the online portals are personalized, applicants have the ability to check their status of the recruitment process and obtain more information about the job opening. They also can make use of the Internet to research more about the organization.

6.1.2 Training

E-training is a common practice in the headquarters of LG Display and other subsidiaries in South Korea. LGD Poland is still working on implementing this tool in their HRM processes. The reason for this is that Poland as a country has different laws and regulations regarding employees and their working environment. For this reason, the mentioned e-training will be specifically from the Korean branches.

Besides having the obligatory trainings (internal skills, safety, etc), LG Display employees can have the opportunity of developing their competences with electronic forms of trainings. The most popular way of doing this is by sending its employees to companies that are specialized in training staff members in different fields. In addition, new online trainings are constantly being developed by LG Display. As an example of these, LG has a current e-training which provides current employees with information about the organization’s history, current situation and organizational information. Similar to recruitment, these forms of training are only available for white-collar personnel. The advantages of implementing e-trainings for LGD are cost reduction, better flow of communication and it eliminates the distance barrier.
6.1.3 Performance appraisal

LG Display makes use of a performance appraisal system which employees, managers and HRM administrators have access to. Besides having the evaluation function, this system also includes an e-mail drop box and other LG Intranet services. This system is protected by a special login and password which is assigned to all LGD employees. Normal personnel cannot access other employees’ appraisal reviews for safety purposes. Managers and HRM administrators are the only users that can access to all subordinates’ accounts.

In the first part of the process, employees need to input into the system a self-evaluation. After this, the manager reviews the assessment and discusses it face-to-face with the subordinate. In the final step, the evaluator enters the appraisal into the system which later on, the evaluated person can access the PA platform to review his or her results.

The combination of personal and technical performance appraisal has been beneficial for LG Display to check the outcomes of every employee. Yearly reviews are useful to managers and the company to see if goals have been reached by the staff. If the objectives were not completed, the system can be helpful to identify which areas need to be improved by the subordinate.

6.2 UPM Raflatac

Table 6-2: UPM Raflatac information

<table>
<thead>
<tr>
<th>Company</th>
<th>UPM Raflatac</th>
</tr>
</thead>
<tbody>
<tr>
<td>Geographical Market</td>
<td>Five continents</td>
</tr>
<tr>
<td>Interviewee</td>
<td>Andrzej Listwan</td>
</tr>
<tr>
<td>Position</td>
<td>HR Manager</td>
</tr>
<tr>
<td>Type of Interview</td>
<td>Face-to-face</td>
</tr>
<tr>
<td>Place</td>
<td>Poland, Wroclaw</td>
</tr>
<tr>
<td>Date</td>
<td>27/04/2011</td>
</tr>
</tbody>
</table>

Raflatac is a Finnish company that manufactures pressure sensitive labelstock products and components. Their labels are used to market products from different industries such as pharmaceutical, home and food industry just to name a few. This company has factories and sales offices in five continents and its headquarters is located in Helsinki, Finland. The person interviewed was HRM Manager Andrzej Listwan in their factory located in the city of Wroclaw, Poland. The meeting was done face-to-face and the dura-
tion of the interview lasted 60 minutes. Similar to LGD, the interview was divided in recruitment, training and performance appraisal questions.

### 6.2.1 Recruitment

The main platform used by UPM Raflatac to attract and hire new personnel is the company’s website. This electronic gateway allows the company to keep an archive of the flow of applicants. People around the world can navigate on their website, look at their job openings and apply if interested; it can be considered as a form of global advertisement. Another advantage of using its company’s website as a tool for recruitment is that the applicant has immediate access to the company’s information. Candidates can learn more about UPM Raflatac by downloading brochures and searching inside their website.

An applicant must follow certain steps when applying to UPM Raflatac. Firstly, they must upload their CV and cover letter stating which position they are applying for. Automatically, this information is stored in the database of the website. Later in the stage of application, the candidate must answer an online psychological test created by SHL (SHL is a company that creates solutions for recruitment and management of personnel for organizations). If given the opportunity, the applicant is invited for an interview and the decision will be made by management.

E-recruitment has enabled UPM Raflatac to achieve standardization. The recruitment process is done in the same way in all subsidiaries around the world. This tool has also help eliminate unnecessary paperwork. This helps HRM employees to have more control over the process and also better access to information. Moreover, the speed of recruitment is faster using the company’s online tools.

### 6.2.2 E-training

UPM Raflatac uses an online software that allows employees to log in, register and keep track of their trainings. The employee can use this tool to choose from a selection of trainings and sign up for them. The company has different online material which include online tutorials of how to use a specific software, trainings to improve a certain skill and teleconference modules. After finishing some of these courses, at times, it is necessary to make an evaluation test (either paper or online) to see the outcomes achieved by the employees.

Teleconference is used to instruct employees in a group. This tool can be applied within the company or outsourced by another organization depending on the availability of the lessons. UPM Raflatac personnel must manage its own working time to make sure that him or her can attend the trainings without disregarding their primary duties.
The main advantage of the use of their electronic training material is that it allows UPM Raflatac to have a history of employees’ learning courses. This is also beneficial for the employees since some courses are valid for five years. In addition, the online software eliminates paperwork, helps reduce time and costs. Unfortunately, this element of e-HRM lacks of the “personal feeling” which is still needed to teach personal skills such as leadership or communication.

6.2.3 E-performance appraisal

UPM Raflatac’s performance appraisal system is a software that can be accessed by both managers and employees. Managers can use this system to check the period of the PA and make comparisons with other periods. This helps management to review the performance of employees.

Their online PA system includes tabs such as targets, incentives, what was achieved, values, competences, enablers, barriers, expectations, development plan and job description. The manager is in charge to fill out these points with or without the presence of the employee that is being evaluated. After the evaluation form is completed, the manager meets with the team member to discuss the assessment. These reviews are done from spring to fall or in a yearly manner. The PA system can later be used to monitor individual and the corporation’s results. Bonuses are also given according to one’s performance evaluation.

According to the HR Manager at UPM Raflatac, e-HRM has helped to increase the speed of a performance evaluation. As in other elements of relational e-HRM, it has also decreased the use of unnecessary paperwork and it has increased the ability of sharing information. On the other hand, it is difficult to judge if the new ways of PA are truly efficient and effective.

6.3 NSK Steering Systems Europe (Polska)

Table 6-3: NSK Steering Systems Europe information

<table>
<thead>
<tr>
<th>Company</th>
<th>NSK Steering Systems Europe</th>
</tr>
</thead>
<tbody>
<tr>
<td>Geographical Market</td>
<td>26 countries</td>
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<tr>
<td>Interviewee</td>
<td>Mariusz Tarant</td>
</tr>
<tr>
<td>Position</td>
<td>Senior HR Manager</td>
</tr>
<tr>
<td>Type of Interview</td>
<td>Telephone</td>
</tr>
<tr>
<td>Place</td>
<td>Poland, Wroclaw</td>
</tr>
<tr>
<td>Date</td>
<td>27/04/2011</td>
</tr>
</tbody>
</table>
NSK Steering Systems Europe is a Japanese company that manufactures EPS (Electronic Power assisted Steering). Like the other selected companies, NSK has a world-wide presence. The company interviewed is also located in Poland and due to its size, we were unable to ask all of our questions (only recruitment and performance appraisal questions were answered). The interview was done by the phone, due to distance and lack of time, with Senior HR Manager Mariusz Tarant and lasted 20 minutes.

6.3.1 E-recruitment

NSK Poland uses online portals to attract potential candidates to join the organization. The process is similar to the other interviewed companies, people must upload their CV online. After this stage, depending on the position, applicants must take electronic tests to ensure they are appropriate for the job opening. Communication between the employer and the future employee is done via e-mail.

NSK’s electronic recruitment process facilitates the recording and monitoring of personnel data. Additionally, communication within HRM and other departments can proceed in an easier and faster manner.

6.3.2 E-performance Appraisal

Managers from NSK Poland use digitalized forms of performance evaluations to monitor employees. These forms help the company to keep a measure of performance of its staff and the different departments within the organization. There are two main PA systems used at NSK Poland, one prepared yearly and the second one every six months. Which system will be used depends on the task and function of the employee or the team.

According to NSK’s Senior HR Manager, their electronic performance appraisal system is very reliable and enables management to give evaluations in a faster way. E-HRM has also helped NSK to have standardized processes in HRM functions in most of their locations around the world.
6.4 Mammoet

Table 6-4: Mammoet information

<table>
<thead>
<tr>
<th>Company</th>
<th>Mammoet</th>
</tr>
</thead>
<tbody>
<tr>
<td>Geographical Market</td>
<td>33 countries</td>
</tr>
<tr>
<td>Interviewee</td>
<td>Rianne van Doornik</td>
</tr>
<tr>
<td>Position</td>
<td>HR Advisor</td>
</tr>
<tr>
<td>Type of Interview</td>
<td>E-mail</td>
</tr>
<tr>
<td>Place</td>
<td>Schiedam, The Netherlands</td>
</tr>
<tr>
<td>Date</td>
<td>11/05/2011</td>
</tr>
</tbody>
</table>

Mammoet is a company that specializes in the production of heavy lifting machinery and transport solutions. Its headquarters are located in Schiedam, the Netherlands and it has subsidiaries around the world in 33 countries. The interview was done via e-mail (due to distance) with HRM Advisor Rianne van Doornik and the questions regarding recruitment and training were responded.

6.4.1 E-recruitment

Mammoet makes use of online recruitment partially. Candidates for the jobs can apply through the company’s website. In some cases, the recruitment takes place through online job platforms; one mentioned by Ms. van Doornik was “LinkedIn”. Mammoet also uses traditional recruitment, for example at career events. For Mammoet, e-recruitment is time efficient, flexible and reduces the administrative workload. The general feeling about this method of employment is positive. Mammoet can reach a lot of applicants at once. Employing e-recruitment meant reductions in work, but did not result in laying off HRM personnel. This is because Mammoet is an expanding company and all the employees were needed. Once the application process is finished, employees at Mammoet perform the selection of candidates. However, this is done manually. At the moment, the use of electronic software for profile matching is in planning, and is a priority for the HRM department.

6.4.2 E-training

Since Mammoet is a company with multiple different locations worldwide, they use electronic forms of training. It helps to standardize training options in all offices. One of the programs is the “Training and Development Program” and it is done online. Ms. van Doornik mentioned that the most suitable trainings for online training are theoretical or instructional programs. The practical components are done on-the-job and cannot be
performed through e-learning. At Mammoet, e-training is not believed to be more effective. The company believes that forms of blended learning are the most successful.

When it comes to online trainings, they are fully electronic. The employees do not have meetings with each other or their tutors. They can decide on their workload only partially. There are mandatory courses that have to be completed beforehand. Online training is a unique selling point for Mammoet, especially within their business.

### 6.5 Skype

#### Table 6-5: Skype information

<table>
<thead>
<tr>
<th>Company</th>
<th>Skype AB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Geographical Market</td>
<td>Four continents</td>
</tr>
<tr>
<td>Interviewee</td>
<td>Kevin Cavanaugh</td>
</tr>
<tr>
<td>Position</td>
<td>Head HRM Manager</td>
</tr>
<tr>
<td>Type of Interview</td>
<td>Face-to-face</td>
</tr>
<tr>
<td>Place</td>
<td>Stockholm, Sweden</td>
</tr>
<tr>
<td>Date</td>
<td>05/18</td>
</tr>
</tbody>
</table>

Skype is a communications company established in Sweden in the early 2000’s, with operations all over the world. Skype gets the majority of its income from Internet-based software which allows its users to communicate through instant messages, audio and video calls. This company’s headquarters are located in Luxemburg. After our first contact with Skype, we were redirected to the Swedish office in Stockholm. The interviewee was Kevin Cavanaugh, head Human Resources Manager for the global engineering group which represents the majority of employees in the whole organization. The interview was made face-to-face and it lasted around 40 minutes. In comparison to the other companies, we were given permission to record the meeting. This interview was divided in three main aspects described below. It is important to mention that the company has used electronic tools since it was founded.

#### 6.5.1 E-recruitment

Regarding e-recruitment, the manager made a very clear division between attracting candidates and selecting them. Firstly, in order to attract candidates, the main source of advertising job openings is the company’s webpage. All the information posted there and the tools displayed on the “jobs” section makes it easy for a candidate to apply for any position. Once a candidate fills out an application, the request is sent to another platform called “TALEO” where the recruiters, in this case the human resources managers, can see the profile and skills of each applicant. Here is where the selection
process begins. After reviewing the information of the candidates and the job positions available, managers identify possible candidates and select a group of applicants that might match the requirements. The selected people are contacted by phone calls or e-mails in order to set up personal meetings. According to the interview, the main outcome of e-recruitment can be considered the increased speed in the recruitment and selection process. In addition, e-recruitment tools can archive candidates’ information in case there are future job openings. This means they do not have to go through the whole process from the beginning.

6.5.2 E-training

According to the HRM leader, the in-person (traditional) trainings are still considered as an important element for the learning process of employees in Skype. This allows them to have a closer connection with the employee, give feedback, ask question and make sure that he or she understands the teaching material. However, the implementation of e-training or in-person training depends on the complexity of the knowledge that the employee needs to acquire. For example, if a new process has to be adopted in a local office, the manager might sit down and explain the employees the steps needed to fulfill the new task. On the other hand, if the new process is a sophisticated system which involves practice, special skills or has to be implemented all over the organization, a tutorial software is usually given to the employees so they can study the system more thoroughly.

E-learning is also used to teach some personal skills without the need of an instructor or a physical session. For instance, Skype uses audio books and self learning software commonly in order to teach employees presentations skills or how to approach audiences if they have to give speeches. The interviewee mentioned that the outcomes of using e-training or e-learning are the flexibility and the speed of the learning process. Mr. Cavanaugh mentioned that almost everything can be taught by electronic training and it has the advantage of no distance or time limitations. To conclude this section, it is important to mention that Mr. Cavanaugh questioned “if this (e-training) is the best vehicle for training personnel” (K. Cavanaugh, personal communication, 2011-05-18).

6.5.3 E-performance Appraisal

The last element of relational e-HRM is electronic performance appraisal. We found that Skype uses a system protected under a user name and a password called “Work Day”. This software helps employees not only to design their goals and store some information but also to measure their performance. According to Skype’s representative, in order for the performance to be measured, goals need to be set. The manager and the employee meet to agree on reachable outcomes which the employee has to deliver at the end of the period which is commonly six months. After doing this, the most effective way for a manager to review the subordinate’s performance is to check if they accomplished their goals or not. He suggested that e-mail, phone calls and personal meetings would show the results of a work day in a better way than through the system. By hav-
ing a more personal approach, employees can have the opportunity to hear a constructive feedback about their accomplishments, learn from mistakes, talk with managers about future goals and “empower the employees to own their own development” (K. Cavanaugh, 2011-05-18).

6.6 Website analysis

6.6.1 LG Display

LG Display does not have regional websites for their different locations. There is one common website which has a “Career” link on it. After clicking on it, a person gets an overview of LG’s values and an explanation of what kind of people are suitable for this company. However, there is no information about available positions. We decided to check if LG Group’s website presents new job openings. Here, the candidate has the possibility to choose the continent and country of interest and then available jobs are displayed. All positions from all parts of LG Group are presented here, including LG Display. However, it is not clear how people interested in one part of LG Group should apply for jobs. It was much easier to find LG’s openings on web platforms with jobs, at least for the Polish location.

6.6.2 UPM Raflatac

For Raflatac it was very easy to find available job openings. Their Polish website is full of information about how work at UPM Raflatac looks like. In the sidebar on the right hand side, a preview of vacancies from all locations around the world is displayed. After clicking on “more”, the candidates are directed to the general website of UPM Raflatac where they are provided with a more advanced job search. They can limit their search by functional area, country and position level and later choose if all or at least one of the criteria must be fulfilled. In the following page, the jobs are displayed where the candidate can click for further information.

6.6.3 NSK Steering Systems Europe (Polska)

The Polish website of NSK does not provide much information about career opportunities within the company. It has a link to “recruitment” section, which after clicking on it brings the candidate onto a web platform www.pracuj.pl with different job openings. However, the general website for NSK Europe provides a similar job search tool to the one from UPM, with different criteria (country, field, position level). Though, it did not seem updated with the latest positions. The available jobs we found on the Polish web platform were not displayed after the search on the official website.

6.6.4 Mammoet

Mammoet’s official website has a career link which people can access easily. We decided to analyze their site from Europe because we live in this region (additional worldwide jobs are offered depending on which territory is selected). In this link, information
about their company, their activities and their presence in the world is displayed for promotion purposes to catch the attention of potential candidates. After accessing the Dutch career tab (it was the only available for Europe), job positions are displayed for candidates to access. Once finding the position that the person wants to apply for, more information about the occupation will be shown and an “apply link” can direct the applicant to the company’s recruitment process.

6.6.5 Skype

The corporate website of Skype provided a “Jobs” link to the potential candidates. After clicking on it, the person is directed to a website with a map of the world that shows a number of available positions in all continents. Further, there is a link to view all openings and a list of all jobs. The title of the job and the location are specified. After choosing a particular position, a description is given and an “apply” button is available. However, in the next screen a login page is displayed, so every candidate has to be registered beforehand on Skype’s career page in order to apply for any positions.
7 Analysis

In this section we will use models and theory from the frame of reference and compare it with our empirical findings. In this way, we will create a deep analysis of the results and draw conclusions. We will refer to and answer our research questions and in the end, our purpose.

The analysis section is the most critical part of our research. Here we will combine the findings from our interviews and website analysis with the results of previous researchers and their theories on relational e-HRM. The analysis will be divided in the following points:

- e-HRM model (relational e-HRM)
- Research question 1: What parts of relational e-HRM do the interviewed companies use?
  - E-recruitment (RQ1, outcomes)
  - E-training (RQ1, outcomes)
  - Online performance appraisal (RQ1, outcomes)
- Research question 2: Is relational e-HRM perceived as effective? Model of factors affecting the efficiency of e-HRM.

This structure is similar to our frame of reference which organizes the data in a logical way. We believe that it will clearly answer our research questions. The main point of our thesis is to discover the outcomes that are associated with the use of e-HRM in companies. Those will be mentioned separately for every section of relational e-HRM (e-recruitment, e-training, online performance appraisal).

7.1 Categorising approaches to studying e-HRM

The classification of e-HRM developed by Ruel, Bondarouk and Looise (2004) is divided into four sections as mentioned in previous chapters. This section will only include the analysis of relational e-HRM (e-recruitment, e-training and e-performance appraisal). In the research process, we asked the companies questions concerning our subject of choice. We divided those into categories, which will also be used in this part of the thesis.

7.1.1 E-recruitment

From the five companies interviewed, all used some forms of e-recruitment. It proved to be the most popular part of relational e-HRM. As mentioned in our theory, this is one element that is used by international organizations, which should be considered a partly answer to our first research question (What parts of relational e-HRM do the interviewed companies use in their HRM processes). However, the forms of e-recruitment varied among organizations. Some companies used their own website, others online job platforms. Three of the firms (UPM, Mammoet and Skype) used the companies’ websites, with either jobs posted on regional pages of different locations, or on their corporate website (with the possibility to select the region of interest). Next to the available
job openings, the companies often presented information about the organizational culture, or the type of candidates needed. As stated by Stone et al. (2006), this is a common practice and it strengthens the company’s image. Some organizations, i.e. Skype, post videos and pictures from their offices for the potential candidates to get an overview of the workplace atmosphere. The company that mentioned the advantage of being able to post additional information of the webpage was Raflatac. The other companies used job platforms to advertise their job openings (LGD, NSK Steering Systems Europe, Mammoet- both). For LGD, it was also associated with providing additional information about the organization. This shows the importance that the companies give to recruiting and attracting new personnel. Multinational corporations are trying to implement innovative tools to recruit the best candidates.

When asked about attracting needed candidates, all companies said that they did hire people with appropriate skills and knowledge, however, it was hard to measure if the people rejected because of the use of e-recruitment were better or worse available positions. Therefore, it was difficult to say if the attracted people were “appropriate”. Nevertheless, we believe that the ability to post additional information about the company on its website provides a way of natural selection of candidates. While reading about the organizational culture or companies’ policies, people that do not agree with these, would simply not apply for jobs in those firms. Someone who does not feel attracted to the vision of the organization, or got a bad impression from the look of the website will not submit an application for the specific company. Consequently, this electronic forms of recruitment is helping companies not only to hire but to create better image to people (which is the resource that creates the outcomes in an organization).

An additional advantage of e-recruitment is the fact that it helps the company reach a great amount of candidates at the same time from different parts of the world (Tong, 2009). Some of our interviewees mentioned this as a positive outcome from using online recruitment (Raflatac and Mammoet). We think that in any case, e-recruitment allows companies to reach more people at once. In a newspaper ad for a job opening, the information space was limited and the costs were associated with the space or number of words needed. Additionally, specific newspapers would only reach a limited amount of people. On the other hand, an advertisement posted in the Internet can be viewed by anyone who has access to the World Wide Web. Therefore, we identify this as an important outcome, even for the companies that did not mention it.

Another outcome of using e-recruitment stated by Dickinson and Tatton (2011) is time saving. All interviewed companies, except NSK Steering Systems Europe, talked about significant increases in the speed of recruitment. The Internet and other information technology tools are helping firms to increase speed of processes in different departments within their organization. We recognized that the process is faster from the very beginning: starting from putting the information about job openings on the website/
Moreover, previous researchers stated that conventional recruitment is expensive and by using e-HRM, companies can reduce costs connected with staffing (Tong, 2009). In the interviews, questions of cost reduction were not mentioned intentionally to see if the interviewees would mention these by themselves. Surprisingly, none of the interviewed people mentioned cost reductions as an outcome from using e-recruitment. We believe that the interviewed companies do not use e-HRM systems mainly to reduce costs. This outcome has not been confirmed with our research and can be considered as a difference to our empirical results.

Furthermore, Parry and Tyson (2010) point out headcount reductions as one of the outcomes from using e-recruitment. The only company that relates to this was Mammoet. In their situation, HRM personnel did not have to be laid off, due to the company’s expansion but headcount reduction was mentioned as an outcome. Therefore, this result from previous researchers’ work was not proven with the interviewed companies. This is another difference identified compared to our theory.

During the interviews, we found some additional outcomes that we have not come across in previous research. The respondents mentioned standardization as one of them. Having the same recruitment strategies in all locations worldwide was said to beneficial for UPM Raflatac and NSK Steering Systems Europe. UPM and Mammoet also experienced reductions in administrative paperwork. Additionally, Skype mentioned archiving as a result from using e-recruitment. Online systems decrease the amount of timely formalities, and therefore contribute to the increased speed of the recruitment process. Finally, facilitation of recording and monitoring personnel data was noticed by UPM Raflatac and NSK Steering Systems Europe. These additional results add extra value to our research because previous studies have not mentioned them.

### 7.1.2 E-training

E-training has not been implemented by all of the interviewed companies (this also answers our first research question). NSK Steering Systems Europe did not use online solutions for employee development. The rest of the companies did, however they mentioned that not all types of training are suitable for e-training. The ones that were conducted online, were mostly softly usage tutorials (UPM Raflatac and Skype), skill training (UPM Raflatac and Skype) and theoretical and instructional trainings (Mammoet).

E-training solutions allow companies to train their employees from all over the world in the same time, without having to cover travel costs and trainers (Strother, 2002). From our results, we see that for most of the companies it was proven to be true. Sometimes costs connected with travelling, accommodation and conference rooms can amount to large numbers, and e-training can reduce or even eliminate those costs fully. LGD and
Skype also pointed out that the location constraints are eliminated with e-training. What is somewhat connected to this, is time savings. If the employees do not travel to get to their training location, but can instead complete a program from their office or home, they can spend the time on the actual learning process and not sacrifice it for travelling. We believe that this advantage is important for multinational companies that implement e-training. Cost reduction and increase in speed for processes are outcomes that help organizations achieve competitive advantage.

In previous research standardization of the learning strategies in different locations was also stated as a benefit of e-trainings. In our results, only one company mentioned that fact- Mammoet. Furthermore, theory suggests that, in order for the e-training to be successful, meetings with tutors or other trainees are needed (Oiry, 2009). All interviewed companies except Mammoet provide meetings during the course for additional “socialization” experience. Most of the companies explained that next to having some trainings performed online, they still make use of traditional training. This is because for some skills, it is difficult to explain and teach with online training programs (i.e. on-the-job trainings of machine usage). In fact, “blended learning” is commonly used in the companies we interviewed. As our interviewee from Mammoet said, they “believe in mixed learning” (R. van Doornik, personal communication, 2011-05-11). Mixed training techniques are perceived as most effective, which agrees with the theory.

Our respondents pointed out some additional outcomes connected with using e-trainings. For instance, the HR manager at UPM Raflatac said that online trainings give competitive advantage to its employees because they can include it in their CV. However, for this point, we believe that any training (online or not) gives an advantage to the employee. We do not notice the difference between advantages brought by traditional trainings and e-trainings, unless using electronic forms of learning means that the employee can receive more of them in a specific period of time. Finally, Mammoet finds that e-training is a unique selling point for their organization. These results are differences that were not included in previous studied articles.

7.1.3 E-performance Appraisal

With the aim of answering our first research question, it is necessary to mention which of our interviewed companies make use of electronic performance appraisals (e-PA). From the five companies, only Mammoet does not employ this part of relational e-HRM. The rest of the companies (LGD, UPM Raflatac, NSK and Skype), used their own e-PA software. Gueutal (2003) stated that more companies are applying self-service systems which give employees and management the possibility to manage their own information online (cited in Payne, Horner, Boswell, Schroeder, & Stine- Cheyne, 2008). This feature was proven to be true in all the interviewed companies that use an electronic form of performance evaluations (LGD, UPM Raflatac, NSK and Skype). Good performance of employees leads to positive outcomes and as we can see from the
analysis, most of the interviewed companies are implementing this electronic tool to improve the assessment process.

In the theory presented in previous sections, Piggot-Irvine (2003) mentioned there are several features that must be followed to give a valuable feedback. Moreover, it should be used to underline the employee’s weaknesses and strengths as well as direct them towards their objectives (Piggot-Irvine, 2003). The result of our chosen companies can relate to this statement. All of them mentioned that the electronic PA helped them in presenting useful feedback and in most cases, helped to guide their personnel towards their goals. Their software allows the staff to observe parts of the online evaluation system that points out various elements such as weaknesses and strengths.

Furthermore, Piggot-Irvine’s model (2003) presents key criterion that managers need to consider in order to give an effective appraisal. Some of these factors are connected to the outcomes of the companies. For instance, all the corporations mentioned to have clear guidelines which employees and management need to follow. All companies also base their performances evaluations on clear objectives, creating and educative process. It was also mentioned that in order to give better feedback, face-to-face interaction needs to be implemented. Electronic tools may show results from goals achieved but they are not efficient showing emotions to people. Interaction between employee and manager needs to exist to clarify doubts and agree on outcomes. It is crucial for companies to take this factor into account. In addition, the model also includes a “transparent and confidential” factor. The only companies that mentioned to have a system with login and password access were LG Display and Skype. Their representatives declared that every employee within the company has access to their own profile, with a secure password which provides transparency to the process. It is important for companies to implement a “secure” and transparent electronic assessment to keep employees motivated and achieve the company’s goals.

Additional outcomes mentioned by Payne et al. (2003) are cost reduction as well as increase of speed in the evaluation process. Associating the outcomes of the companies, only UPM Raflatac, NSK and Skype mentioned an increase in speed in their e-PA processes. Surprisingly, none of the firms interviewed had, or did not mention, cost reduction as one of their outcomes from using e-PA systems. This is an important finding for our research because it contradicts most of the theory studied during our thesis. We are aware that many companies around the world take the subject of money in a very cautious manner. However, we believe this is not the case with our chosen companies because in other parts of relational e-HRM they did mention the reduction of costs as an actual outcome. Moreover, we believe that cost reduction is not the main goal for the implementation of e-performance appraisal systems.

To conclude this section of the analysis and as mentioned in the previous elements of relational e-HRM, the companies interviewed mentioned additional outcomes which
were not mentioned in our researched theory. NSK Steering System Europe mentioned standardization in their e-PA process in all their world-wide locations. UPM Raflatac mentioned the elimination of unnecessary paperwork which was replaced by their evaluation software. These results are valuable for our research since we want to identify what are the outcomes that multinational corporations experience by using these elements of electronic Human Resources Management. It is important to stress that the mentioned outcomes were not pointed out in our researched theory.

7.2 Model of factors affecting the efficiency and acceptance of e-HRM

As Stone and Lukaszewski explained in their model (2009), if the communication between parties involved in a process is clear, the effectiveness of e-HRM will improve. During our interviews, NSK Steering Systems Europe mentioned that after using e-HRM systems, communication between HRM department and other parts of the organization has become faster. E-HRM systems were said to bring standardization to the interviewed companies in different areas. That includes standardization of communication procedures. Making those clear through the usage of e-HRM improved the processes in NSK which is needed to achieve positive goals. If personnel in companies fully understands the message being communicated, this will be reflected in the results of their work performance.

Additionally, Stone and Lukaszewski (2009) mention that e-HRM uses different communication media to share HRM related information compared to traditional HRM. Electronic media is perceived as faster and more efficient. From our research, we found that e-recruitment in the interviewed organizations is more time efficient than conventional staffing. However, e-training was not described as efficient by our respondents. Most of the our companies make use of “blended learning”, combining traditional learning solutions with e-training. Concerning e-performance appraisal, the selected companies made use of software to communicate performance evaluations to employees which increased the speed of the process.

On the other hand, Hinds and Kiesler (1995) claim that technological advances lack personal contact and the richness of face-to-face communication. As already mentioned in the analysis section about e-training, employees need regular contacts with each other or training supervisors, in order to make e-training effective. Therefore, personal feedback during the course is necessary. Additionally, all of the interviewed companies mentioned that they have personal meetings with employees after giving an e-PA. The purpose of this is to assure understanding of the evaluation and discuss what was achieved or needs to be achieved by the personnel.
Furthermore, we mentioned in the theoretical framework that e-HRM systems can be less likely to capture attention of potential job applicants because they lack personal interaction. In the analysis we stated that a well-managed and updated website helps companies attract the needed candidates. For example, Skype AB has interactive features to attract people on their corporate website. Additionally, UPM Raflatac uploads information on their website about their company to catch people’s attention. Companies need to create personalized ways of communicating messages in order for people to understand the right meaning of the given message and contradict the theory. Stone and Lukaszewski (2009) also specify that using e-HRM might give the impression that a company is more concerned with cost savings or efficiency improvements than people. We identified that this is a possible reason for why some of the companies did not mention cost reductions as an outcome of e-recruitment. Since the individual’s attitude towards a firm can change with this information, some organizations might not want to make the data public. Skype’s HR manager mentioned that cost reduction is an outcome but it is not their main target.

In addition, personalization of messages in e-HRM is crucial. Beninger (1987) said that a message coming from a person is likely to be viewed as more sincere than if coming from a machine. This relates mostly to trainings and performance appraisals. During a training, when having a face-to-face session with other participants or teachers (which as mentioned before, is necessary to make the process effective), the employees will feel better getting personalized information about their improvements or weaknesses as well as asking question about the content learned. For this reason, all interviewed companies that used e-training had personal meetings with its employees or used traditional training to ensure the understanding of the subject being taught. Relating to electronic performance appraisals, a combination of the electronic form of the evaluation and a face-to-face discussion must be done to give better feedback. As well as in e-training, managers of the interviewed firms met with their subordinates to discuss the performance evaluation, all doubts were clarified during the meetings. If an employee only receives an assessment in the electronic form, he or she might have doubts. By combining both processes, employees can have a better understanding of the results of the e-PA and in the future, give better results.

Lastly, information richness with non-verbal communication is crucial according to Stone and Lukaszewski (2009). One way for companies to provide this kind of communication, is by using video conferencing, as it is said to ensure the information richness (Baltes et al., 2002). One company that already implemented those solutions is UPM Raflatac for their e-trainings. This could be of importance for our recommendations to the interviewed companies.

Taking everything into consideration, the model of factors affecting the efficiency and acceptance of e-HRM suggests that companies that use e-HRM systems in any area of
their organizational processes need to ensure clear communication procedures, information richness and regular face-to-face contact of employees and managers. All of the companies using e-PA systems make use of personal interaction to clarify any doubts to employees. In e-recruitment, personalized web-platforms are used to advertise job openings. Additionally, our interviewed firms that use e-training also implement traditional forms of learning to teach skills that cannot be taught through electronic forms. Only in this way, can they make e-HRM effective and accepted in the organization. From our research, we found that e-HRM is mostly perceived as effective, however the effectiveness is difficult to measure. For instance, for e-recruitment it is hard to know what kinds of applicants were declined by the system, who could have been an asset to the company. As for training, companies mostly believe in “blended learning” and see it as most successful. In relation to electronic performance appraisals, companies obtained positive outcomes by implementing this tool but it was mentioned that it is difficult to determine if it was effective.
8 Conclusions

In our analysis section, we presented our interpretations of the empirical findings in connection with the theory used in our frame of reference. The data was divided in parts that answered our research questions and purpose. We believed that we achieved this goal and have proven it in our analysis. To sum up, there were a few key findings that turned out to be interesting. First of all, relating to our first research question, we have found that e-recruitment is the most popular part of relational e-HRM for international companies. The most significant benefits that are brought to the organizations with its usage are time savings and the possibility to reach a great amount of people at once, as well as achieved standardization between different locations. However, the outcome that was stressed most in theory - cost reductions - was not mentioned by our interviewees. The most reasonable interpretation for this is that it is not seen as the most significant result of using e-recruitment.

Furthermore, it seems like more and more companies are starting to use different e-trainings. Not all of them have already implemented it but it is becoming more popular. However, we have found that not all sorts of training can be performed with the use of information technology. The most effective way of training the companies’ employees was stated to be “blended learning”, which is the use of combinations of traditional training and e-training. The last part of relational e-HRM that we were interested in was performance appraisals, and to answer our first research question fully, we conclude that it is widely used in international corporations. We have proven that the speed of performance appraisal is increased with the use of e-HRM systems, which agrees with the presented theory. Additionally, data archiving provides possibilities to give more effective feedback, looking back at previous results.

Finally, to answer our second research question, we conclude that e-HRM is mostly perceived as effective however, the observations of our interviewees are not based on strong proofs. As mentioned by some of them, it is difficult to measure the effectiveness of e-HRM systems. Taking all the discovered outcomes into consideration, we believe we fulfilled the purpose of this thesis, which was “to identify and explain the outcomes that international corporations experience by using relational e-HRM”. For each of the parts of relational e-HRM mentioned in this thesis (e-recruitment, e-training and e-performance appraisal) we identified outcomes based on our results, and explained them with relation to the theory.
9 Discussion

The purpose of this thesis was to identify the outcomes that multinational corporations experience by using relational e-HRM. To facilitate the study, we came up with two research questions:

- What parts of relational e-HRM do the interviewed companies use in their HRM processes?
- Is relational e-HRM perceived as effective?

The purpose and research questions were answered with the support of a qualitative method in form of in-depth semi-structured interviews. This method was chosen because a more personal approach was needed to clearly understand and find important aspects about relational e-HRM. We chose to interview LG Display, UPM Raflatac, NSK Steering Systems Europe, Mammoet and Skype because they are large companies with global presence and organizations with these characteristics make use of electronic forms of HRM. The downside from choosing large corporations was the difficulty of finding companies that had the time for our interviews.

We encountered some inconveniences when gathering our empirical findings. Most of the companies interviewed did not allow the interviewer to record the meeting due to the organizations’ policies. This gave us a disadvantage when asking the questions because we had to make notes which, occasionally, did not allow us to make follow-up questions. Additionally, some firms did not have time for personal meetings and we had to apply more impersonal ways of interviews (phone and e-mail). These can be considered as weaknesses of our research.

The analysis was structured according to our research questions. In order to answer them, we related our frame of reference to the results obtained from our empirical research. Each section of the analysis was structured in the same way to our theory and connected to the companies’ outcomes. The chosen theoretical framework was carefully placed using a “funnel approach” to show the core of our research. We believe that this arrangement made the analysis easier to understand. In our belief, the research questions and purpose were answered satisfactorily through the chosen frame of reference, and analysis done.

E-HRM is a very new subject and more research needs to be done to comprehend everything that surrounds the topic. We chose relational e-HRM as the main topic of our thesis because new tools are being implemented in HRM processes and in our opinion, human capital is one of the most important factors for organizations. Before starting our investigation, we believed that the implementation of electronic tools in HRM processes increased the effectiveness of companies. For example, Foster (2010) mentions that e-HRM brings cost reduction to firms. As we went deeper in our research, we identified from analyzing previous studies and our empirical results that it does enhance positive
outcomes for firms such as speed and some cost reduction in certain processes. However, it is hard to evaluate and measure its effectiveness. The HRM manager from UPM said that “e-HRM has brought good outcomes but efficiency and effectiveness are hard to measure” (A. Listwan, personal communication, 2011-27-04). Moreover, both theory and our results demonstrated that a combination of both electronic tools and face-to-face interaction are necessary to guarantee good results in HRM processes.

These results can be considered as our contribution to the subject. More companies around the world are using electronic tools in their HRM processes. They should keep in mind that by implementing e-HRM they should not discard face-to-face interaction and personalization. In addition, companies that want to implement these new forms of HRM should evaluate if the results are greater than with previous personnel management processes. Furthermore, we would like to recommend future researchers to complement the study with quantitative methods. Moreover, measures for e-HRM effectiveness should be developed. Perhaps time saving and reduction of costs should be compared with Return on Investment (ROI).
List of references


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Appendices
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