DETERMINANTS OF CONTINUED USE OF E-HRM

JUWAIRIAH BINTI HARIS

UNIVERSITI SAINS MALAYSIA

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LIST OF ABBREVIATIONS

AVE	Average Variance Extracted
ECT	Expectation Confirmation Theory
e-HRM	Electronic Human Resources Management
ESS	Employees Self Services
et al.	et alii
HR	Human Resources
HR ROLES	Human Resources Roles
HRM	Human Resources Management
ICT	Information and Communication Technology
IS	Information System
IT	Information Technology
MSS	Manager Self Service
p.	page
PLS-SEM	Partial Least Square Structural Equation Modelling
SPSS	Statistical Package for Social Science
TCT	Technology Continuance Theory
UK	United Kingdom

ABSTRAK

Kajian ini dijalankan bertujuan untuk mengenalpasti faktor-faktor yang mempengaruhi kelangsungan niat pengguna (pekerja) terhadap penggunaan sistem e-HRM di dalam syarikat. Kajian ini dilakukan dengan mengambil kira pemboleh ubah persepsi kemudahan penggunaan, persepsi manfaat, kepercayaan terhadap e-HRM, peranan sumber manusia, sikap pengguna ketika menggunakan e-HRM, dan sejauh mana faktor-faktor utama ini mempengaruhi kelansungan niat pengguna untuk menggunakan e-HRM. Kajian ini telah dijalankan dengan mengutip data daripada 243 responden melalui soal selidik berstruktur daripada syarikat-syarikat pembuatan di Penang, Malaysia. *Partial Least Square* (PLS) telah digunakan sebagai alat untuk menguji hipotesis-hipotesis yang dibina. Hipotesis-hipotesis tersebut merangkumi penilaian terhadap peranan pemboleh ubah yang dinyatakan (persepsi kemudahan penggunaan, persepsi manfaat, kepercayaan terhadap e-HRM, dan peranan sumber manusia terhadap sikap pengguna e-HRM) dalam mempengaruhi kelangsungan niat seseorang terhadap penggunaan e-HRM. Hasil kajian mendapati persepsi kemudahan penggunaan, persepsi manfaat, peranan sumber manusia dan sikap mempunyai hubungan yang positif terhadap kelangsungan niat dalam penggunaan e-HRM. Kajian ini juga menggariskan ruang pembaikan dan cadangan untuk kajian hadapan berdasarkan model yang diguna pakai.

ABSTRACT

The purpose of this study is to identify the determinants of continuance intention on e-HRM in organization. This is done by observing the variables such as perceived ease of use, perceived usefulness, e-HRM trust, HR roles, and attitude of users when using e-HRM and how these critical factors influence continuance intention of using e-HRM system. This study was carried out by collecting data from 243 respondents who currently working in manufacturing companies in Penang, Malaysia, using the method of questionnaire. Partial Least Square (PLS) was used as the tool to test the constructed hypotheses. These hypotheses involved how the listed variables (perceived ease of use, perceived usefulness, e-HRM trust, HR roles, attitude and continuance intention) will affect continuance intention on e-HRM. The findings indicated that perceived ease of use, perceived usefulness, HR roles and attitude have positive influence on continuance intention. This study also addressed the area for improvement and proposed suggestion for future study based on the model.

Chapter 1

INTRODUCTION

1.1 Introduction

According to Yusliza, Ramayah, and Haslindar (2010), information and communication technology developed rapidly and now affects the smallest unit of a system up to the economic development of an entire country. Changes in this technology also affect culture and society because that technology involves using the Internet and information systems (IS) (Yusliza & Ramayah, 2012). As a consequence, this situation also has led to organizational changes including the role of the Human Resources (HR) department (Gloet & Berrell, 2003).

At the close of the twentieth century, extensive debate about Human Resources Management (HRM) occurred because of the rapidly changing internal and external environments (Olivas-Lujan Ramirez & Zapata-Cantu, 2007). Late in the 1990s, literature settled on the need for strategic HRM and became concerned with new roles of the HR function that should be adopted to meet the challenges of contemporary organizations (Ulrich, 1998).

HR departments use systems that connect to technologies or the Internet to support their activities. This includes the use of information and communication technology (ICT) in the HRM department, which commonly became known as electronic Human Resources Management (e-HRM) (Olivas-Lujan et al., 2007); e is standing for electronic and e-HRM refers to conducting transactions in HRM via the Internet (Lengnick-Hall & Moritz, 2003).

E-HRM is the complete combination of all HR systems (Lengnick-Hall & Moritz, 2003). The process is based on common HR data and information along with

interdependent tools and processes. The development of the term e-HRM can be traced because of the use of the word transaction at the end of activities in HRM (Lengnick-Hall & Moritz, 2003). According to Lepak and Snell (1998), the relational, transformational nature and operational has been reserved to give the impression in e-HRM.

The objective of e-HRM is to provide existing information at anytime and anywhere for managers and employees (Panayotopoulou, Vakola & Galanaki, 2007). E-HRM is a system that utilizes enterprise resources-planning software and web applications (Panayotopoulou et al., 2007). Thus, without having to consult with HR department, e-HRM system allows employees to control their personal information, update their records, allow their managers to access information and data, conduct analysis, make decisions and communicate with others (Panayotopoulou et al., 2007).

E-HRM provides data gathering tools, decision-support resources and analytical capabilities for HR professionals to pay, hire, terminate, promote, develop, appraise and assign tasks to their users (Strohmeier, 2007). This system also offers some benefits such as decreasing costs, improving quality, accelerating the processes and achieving success for the strategic role of HR (Lengnick-Hall & Moritz, 2003).

E-HRM has the potential to change HRM as a strategic partner. In order to move to e-HRM, a need exists to know the opportunities for development in the area. This includes the use of the technology as a process to distribute HRM, people in HRM and their abilities, the culture of the HRM organization and its structure (Beatty, 2001). Combined with other elements, daily or monthly e-HRM processes become much easier with just a single click. For example, a system could computed automatically wages and engage in salary control.

According to Shipla and Gopal (2001), e-HRM can be seen as one alternative for using the latest technology such as online HRM solutions. Today, not only trained HR experts engage in HR activities but so do information technology (IT) utilities, managers and outsourcing professionals (Temblay, Patry & Lanoie, 2008).

Features of e-HRM include employees' information, attendance records, leave records, emoluments and PR details, pay slips, annual returns, employees training identifiers, training and induction programs. E-HRM working areas cover e-recruitment, e-selection, e-performance management, e-learning, e-compensation and e-consumer relationship building (Masrek et al., 2009).

Apart from all the perceived benefits, concerns have grown regarding e-HRM recently. Among those issues are safety and data control when transferring data to a new platform using e-HRM (Panayotopoulou et al., 2007). Some researchers suggest that in order to influence employees in the organisation to see their environments, HRM must develop employees' ICT skill sets in HRM (Strohmeir & Diederichsen, 2010). Many researchers' think that the e-HRM issue an interesting topic to be studied, particularly with respect to the effects and impact for the company using e-HRM (Panayotopoulou et al., 2007).

1.2 Research Background

Previous studies have utilized various theories to predict and explain the continuance intention of using e-HRM and theoretical studies showed that users' perceptions are critical in determining continuous use of e-HRM (Gao & Bai, 2014). Although much researches has been conducted on the use of electronic systems, a lack of clear understanding of how factors can affect continuance intention using electronic system in organization especially in e-HRM remains (Chang, 2013).

An important question arises here is user acceptance when implementing an e-HRM system in an organization. According to Cheng (2014), the main problem to implement electronic system is user unfamiliarity in using computer technology. Apart from this problem, Chow and Shi (2014) show several factors that can significantly influence continuance intention while using an Information System. Study from Cheng (2004) shows a positive attitude in workers for accepting changes from HRM to e-HRM.

Cheng argues that, if workers are actively engaged in and enjoyed using e-HRM will strongly influence their intention to use the system. Understanding when learning an e-HRM system induces continuance intention in users is important. If users are actively engaged and pleased using e-HRM, such could influence continuance intention from users. Therefore, this study attempts to determine and understand the factors that encourage continuance intention of e-HRM system consumers.

Lee (2010) has shown that initial use of e-HRM system by employees is vital for the success of e-HRM. However, users' loyalty for e-HRM can be seen after their continued use (Gao & Bai, 2014). Focusing more on the user's affective feelings, experiences and senses can also explain IS or IT continuance intention (Thong et al., 2006). Quality of information inside a self-user has made a huge impact on self-guidance during e-HRM system usage (Cheng, 2014).

Quality of information using e-HRM is crucial and good quality offer best results for users. Simultaneously, high quality reduces the complexity of the process of learning and adjustment because the most important concern for the design of e-HRM is easing users' workload (Roca et al., 2006; Wang, 2008). If the quality of an

e-HRM system can have a positive, significant impact on users' perceptions and expectations, this situation will drive adoption of e-HRM (Cheng, 2014).

Although the self-perceived usefulness score is not enough on its own to entirely indicate continuance intention (Hong et al., 2006; Thong et al., 2006). Perceived usefulness undeniably has greatly impacted user satisfaction (Cheng, 2014). The result for involving continuance intention of e-HRM highlights the importance of expectations after users than expectations before acceptance (Bhattacherjee, 20001, b; Thong et al., 2006).

The decision to build up users' trust to this e-HRM system depends on IT or information the systems offer (Thing et al., 2006) and the theory of flow regards continuance intension as an intrinsic motivators in user behaviour for IT and IS usage (Sanchez-Franco, 2010).

Furthermore, the manner in which e-HRM is introduced as well as teaching and learning to use the system can hugely impact the acceptance by the workers (Cheng, 2014). The result of studies by Webster and Hackley (1997); Volery and Lord (2000); and Lim et al. (2007) showed that not only does the technology itself influences users, but the attitude and the actions taken by the management of the organization to introduce e-HRM to employees also made a huge impact on the success of e-HRM implementation in an organization.

Finally, positive attitudes and eagerness by the organisation will assist employees in understanding e-HRM and performing their daily tasks using this system. Thus, this results in the best introduction effect and establishes effective communication between an organization and its employee (Chou et al., 2007; Lee et al., 2009; Chiu & Tsai, 2014). This situation also helps users feel enjoyment when using an e-HRM system and encourages them to use it (Cheng, 2014).

1.3 Problem Statement

Organizations and HR departments manage e-HRM by using appropriate technologies to facilitate working and easy access to resources and services (Chang, 2013a). On the other hand, from the e-HRM users' perspective, although HRM has been promoted, the intention to continue using e-HRM remains low (Chiu et al., 2007).

E-HRM users can utilize HRM resources via a portal website, but employees are less likely to continue using an unstable or an ineffective portal website, factors that are related to e-HRM quality, service quality and information quality (Masrek et al., 2009). Moreover, previous studies on the Internet-based application have focused primarily on outcomes and learning processes, but rarely explored factors that drive users' adoption of e-HRM systems in organizations as well as those factors that encourage their continue usage (Limayem & Hirt, 2003).

Nowadays, much of the existing literature has revealed the benefits of e-HRM, however, these systems also carries negative impacts in addition to all the good things they claimed (Sareen & Subramanian, 2012). Among the positive impacts implementating e-HRM is reducing the number of workers, but, at the same time, that implementation will raise the probability of negative perceptions and branding of the organization (Sareen & Subramanian, 2012). Apart from that, factors such as high investment during e-HRM implementation, users' concerns about accepting technology and a change of management approach should be considered towards e-HRM continuance intention (Reddington et al., 2005; Ruel et al., 2004; Martin et al., 2006).

Acceptance and assimilation by employees is considered to be an important factor while implementing e-HRM. The ability to cope with changes in the HR

function and providing support to employees during e-HRM implementation is also deemed essential (Haines & Petit, 1997; Fisher & Howell, 2004; Ruta, 2004; Ruel et al., 2004).

According to Davis' (1989) technology acceptance model (TAM), users will accept a system if it that system has significant perceived usefulness and ease of use. People tend to use an application that they believe can assist them in performing their jobs better (perceived usefulness). Across many empirical tests of TAM, perceived usefulness is more strongly linked to actual system use and has been consistently a strong determinant of the usage intentions of employees.

Several researchers also have begun investigating determinants that can influence users' continuance intentions. Bhattacherjee (2001), for instance, tried to identify the antecedents of electronic commerce service continuance. Although past research has provided insights into the importance of continuance intention from the context of IT/IS, very few have discussed the role of continuance intentions for e-HRM systems (Chang, 2013a).

In addition, HR roles can bring either harmful effects or benefits to an organization. However, the examination of the impact of HR roles has been very limited that of traditional HRM (Yusliza, Ramayah & Zahiyah, 2015). Therefore, examining the impact of HR roles on continuance intention will enhance performance of the organization as a whole as the workers are the investments of an organization.

E-HRM presents challenges to users and organisation because the transition from traditional HRM to e-HRM cannot occur instantaneously, but it needs time for users to adjust (Arbaugh, 2004). As a result, learning experiences could be important factors affecting workers and achievement in using e-HRM systems as user attitudes change over time (Venkatesh & Davis, 2000). Thus, determinants of continuance

intentions of e-HRM would not be the same among users with different levels of e-HRM experience.

Previous empirical research also shows that when users gain first-hand experience with IS usage, users may change their trust, attitudes and subsequent IS usage behaviour; suggesting user experience is a crucial aspect that must be considered (Bhattacherjee & Premkumar, 2004). Therefore, in the context of e-HRM, it seems reasonable to expect that the length of e-HRM experience may be an important factor in determining user attitudes and continuance intention.

Gutworh (2013) suggested that related research could be carried out on employees who have different level of positions in their companies. Following this suggestion, this current study will be carried out among the employees with different positions in various manufacturing sectors in Penang, Malaysia. Consequently, this study empirically examines continuance intentions among users of e-HRM systems in an organization.

Because of the lack of research in Asian countries and existing gaps in previous studies as described above, this study investigates the effects of perceived ease of use, perceived usefulness, e-HRM trust, and HR roles on attitude and their impacts on continuance intention of the employees in various manufacturing companies in Penang, Malaysia.

1.4 Research Objectives

This research examines the acceptance of e-HRM system in organizations. The objectives of this study are to:

1. Investigate the extent of continuance intention among e-HRM users in manufacturing industry;

2. Investigate the relationship between perceived ease of use, perceived usefulness, e-HRM trust and HR roles on continuance intention; and
3. Identify the relationship between perceived ease of use, perceived usefulness, e-HRM trust and HR roles on attitude.

1.5 Research Questions

The following are the research questions.

1. What is the extent of continuance intention for e-HRM in the manufacturing industry?
2. What is the relationship between perceived ease of use, perceived usefulness, e-HRM trust and HR roles and HR roles on continuance intention?
3. What is the relationship between perceived ease of use, perceived usefulness, e-HRM trust and HR roles on attitude?

1.6 Significance of the Study

Currently, most big companies are using multiple information systems to capture, store and analyse employee data (Parry et al., 2007; Burbach & Royle, 2014). Burbach and Royle (2014) argue that in about 20 years' time, an organization will already have changed their strategy for HRM to Internet-based software such as 2.0 and 3.0. Therefore, use of Internet technology to provide facilities and support to HRM seems both crucial and inevitable, and this technology is now referred to as e-HRM (Strohmeier, 2007).

The results of the present study will demonstrate that, e-HRM can give more advantages and support for employees in HR activities. According to Bissola and Imperatori (2014), e-HRM practices can contributes to the transparency of the

relationship between the employee and the HR department. Other than that, e-HRM can make it easier to obtain information on people's practices and systems, and allows for current labour market conditions in more aware decision-making. Many e-HRM system practices were designed specifically to maintain employments relationships (Bissola & Imperatori, 2014).

This research can help an organization that wants to apply e-HRM by identifying important aspects of e-HRM through the correct procedures. According to Ruel et al., (2007), using e-HRM is a way to implement HR strategies, policies and practices of organizations that utilize web-based channels of technology through direct support and provide full directing to users. E-HRM practices are not merely tied direct to electronic systems built to integrate HR, but entirely new systems that allow management to create opportunities and a new closeness between employees and the organization (Lepak & Snell, 1998; Marler, 2009).

Using this research, an organization will understand how to correctly adopt e-HRM and ensure employees like this system. Organizations must implement IS if they want to improve and transform HRM functions to those of e-HRM (Srivastava, 2012). Utilization of e-HRM can help both the organization and its employees to be more systematic and effective.

As a conclusion, continuance intention of employees is critical because employees are the ones who must successfully use and receive benefits from an e-HRM system in an organization. Hopefully, this study will assist with the future implementation of e-HRM in organizations.

1.7 Contribution of Study

1.7.1 Research Theoretical Contribution

Few studies have sought to find the determinants of continued use of e-HRM systems. In this study, the researcher adapted TCT, ECT and HR roles theory. By integrating these models, a new understanding of the factors that encourage continuance intention among those using e-HRM systems can be gained. Additionally, a key conclusion of this study is the importance of both the direct and indirect effects when developing e-HRM systems in an organization.

Because of this theoretical contribution, the results presented herein enhance e-HRM literature by providing insights into the factors that will affect e-HRM continuance intentions. This research, on the other hand, provides a thorough explanation of perceived ease of use, perceived usefulness, attitude and HR roles (change agent and employee change) as important factors in continuance intention of e-HRM system. This study will extend those of Davis et al. (1989); Venkatesh and Davis (2000); Bhattacherjee (2001a); Premkumar and Bhattacherjee (2008); and Chiu et al. (2009) in a different electronic system context.

Yusliza, Ramayah and Zahiyah (2015), carried out a study to identify the goals and functions of e-HRM, and many others related to e-HRM discussed factors that contributed to using the system (Strohmeier & Kabst, 2009; Parry & Tyson, 2011, Yusliza & Ramayah, 2012). However, few studies discussed the continuance intention to use the system and the acceptance of a changing environment (Bhattacherjee, 2001a).

Previous studies have examined operational relationship and transformation e-HRM practices (Lepak & Snell, 1998; Ruel et al., 2004; Parry and Tyson, 2011). According to Gardner et al. (2003), operation and transformation practices are among

the most widely studied by researchers. Electronic attendance registers, web-payroll practices and operational e-HRM practices focusing on the administration of HR are among those committed to improving the efficiency of the HR department (Parry, 2011).

Knowledge of management systems and web communities are among transformation systems that reflect the desire to transform HR into a strategic function oriented towards HRM (Shrivastava & Shaw, 2003). However, less research has focused on e-HRM practices designed for implementation and management that also maintaining relationships with employees, enhance HR services and directly empower employees (Parry and Tyson, 2011).

This study contributes to the literature on the determinants of continued use of e-HRM and builds a new model to investigate the factors that affect the continuance intentions of users. Among the factors studied in this research are the perceived ease of use, perceived usefulness, trust e-HRM, HR roles, and attitude. This study will help determine which factors affect the continuance intentions for usage of e-HRM system and which factors do not.

Previous findings showed that a combination of the direct and indirect effects related to perceived usefulness have a stronger total effect on e-HRM continuance intentions. Usefulness is an important criterion for users when they select an e-HRM system to increase their performance in workplace. Users may continue to employ an e-HRM system perceived as useful even if they are dissatisfied with it (Bhattacherjee, 2001b).

1.7.2 Research Practical Contribution

Results of this study could facilitate the understanding of an organization about the major contributions of using e-HRM. By understanding the determinants of e-HRM continuance, this study provides guidance to an organization about developing leadership styles specifically tied to the management of e-HRM.

Also, this study facilitates an organization in determining the main reasons why the implementation of e-HRM did not achieve what was expected. Organizations could improve the quality of e-HRM from time to time to assist the workers into using the system. This improvement will reduce the workload of employees and produce work systems that are more systematic and orderly in the future.

Finally, this study provides a significant contribution to the research on human resources in Malaysia and for manufacturing companies that are considering establishing their businesses in Malaysia. By handling the e-HRM situation properly, these organizations will be better able to understand their employee, improve job performance and enhance the strategic role of manufacturing industry in supporting economic growth in Malaysia.

1.8 Definition of Key Variable

To make clear the understanding of concepts used in this research, key terms are defined below.

Perceived Ease of Use:

Perceived ease of use is the use of a technology in an easy and unproblematic condition (Davis et al., 1989).

Perceived Usefulness:

Perceived usefulness is the belief that a user's performance of tasks will be increased through the use of technology (Davis et al., 1989).

Trust:

Trust is a confident belief or expectation and also can be interpreted as a users' willingness or depending to trustee (Mayer, Davis & Schoorman, 1995).

Attitude:

Attitude is a predisposition from individual that affects his/her acts or responds and also shows that an individual responds favourably or unfavourably towards objectives, events or people (Azjen, 1991).

Continuance Intention:

Continuance intention refers to the intention to continue the use or consumption of a technology in the long run (Bhattacherjee, 2001a)

HR roles:

HR roles refer to the role dimensions that determine the interests of HR employees in implementing the system and practices of HR in business operations. Four main roles exists for HR professionals: employee champion, administrative expert, change agent, and strategic partner. The roles are based on strategic dimensions (Ulrich, 2007).

- ***Administrative expert:*** concerns tend to be more efficient processes involving people and most of the time spent on the HR function is spent on this role (Ulrich, 2007)
- ***Employee champion*****:** concerns tend to encompass involvement in day-to-day problems, needs and concerns of employees (Ulrich, 2007)
- ***Change agent*****:** concerns tend to that of a facilitator involving modelling change to other departments being a positive advocate of change across the

entire organization, resolving employee issues arising from change and embedding change by implementing efficient and flexible process (Ulrich, 2007)

- ***Strategic partners*:** concerns tend to be directed towards helping to ensure the success of business strategy and this role makes HR professionals increase their business capabilities to implement the strategy (Ulrich, 2007).

1.9 Organization of Chapters

In the first chapter, this paper introduces the overall picture of this study including the research background, problem statement, research objective, research questions, definitions of key term, significance of the study and organization of remaining chapters. Chapter Two provides the literature review and study's hypotheses. Chapter Three discusses the methodology of the research design in detail, taking into account the variables, population and sample, procedures measurement and data analyses. Chapter Four discusses the results. Finally, in Chapter Five, the study recapitulates the findings, includes a discussion and interpretation, and presents the implications, limitations and need for future research on the topic of research.

Chapter 2

LITERATURE REVIEW

2.1 Introduction

This chapter reviews the related literature that was used to create the framework in present study. First, it begins with the background of e-HRM, followed by an overview of literature on the perceived ease of use, perceived usefulness, e-HRM trust, HR roles, attitude and continuance intention and underlying theory. This chapter also discussed gaps in literatures, the proposed research framework and builds hypotheses used in the present study.

2.2 Background of Electronic Human Resources Management (e-HRM)

e-HRM is a one type of IS and there are many definition of e-HRM in literature, this study would likely use the definition of e-HRM as a system that supports the administration of human resources within the organization (Bondarouk & Ruel, 2009). Previously, administration for the basic things involved manual system, but later began to use advanced information technology such as records management and procedures (Yusliza & Ramayah, 2012). Today, E-HRM system provides a portal or website that allows managers, HR professionals and employees alike to view or change information, and allow the HR department management to extract information (Yusliza & Ramayah, 2012).

Lately, many organizations have begun investing in IS because IS supports different functions and HR departments have followed along becoming involved in these changes (Stone & Lukaszewski, 2009; Yusliza & Ramayah, (2012). E-HRM system development has been rapid because such development suits the demands of

end users' to become more effective and more efficient in managing an organisation (Yusliza, Ramayah & Haslindar, 2010).

An e-HRM system fully utilizes web-based technology channels in the implementation of HR strategy, policies and practices within an organization (Dosajh & Sujlana, 2012). Lengnick-Hall and Moritz (2003) defined e-HRM as conducting a HR transaction using the Intranet or the Internet. According to Dosajh and Sujlana (2012), the assumption can be made that e-HRM creates an improvement in an HR department.

An HR department uses e-HRM in their daily management activities because they want to be the best in the future (Yusliza, Ramayah & Haslindar, 2010). According to Lengnick-Hall and Moritz (2003), Yusliza, Ramayah and Haslindar (2010), e-HRM is designed with functionalities that can contribute to organizational effectiveness, such as knowledge management and the creation of intellectual and social capital. Besides, using e-HRM lead to the elimination of intermediaries between the employee and the employer (Yusliza & Ramayah, 2012).

Results from the previous research have shown that e-HRM is a system which supports HR processes. Implement e-HRM for human resources presents a great opportunity to provide self-services facilities to employees (Gao & Bai, 2014). According to Gao & Bai (2014), e-HRM is a development key that offers online management processes, information, data and activities for the human resources department. E-HRM can cover characteristics of human resources management such as education and training, corporate organization, personnel administration, employee's personal pages, job description, career development, hiring process and annual interviews with employees (Gao & Bai, 2014).

According to Strohmeier (2007), e-HRM is a system that can be used for planning, implementing and supporting IT applications and that can used individually or collectively to implement HR activities in an organization. When HRM activities were joined with information technology, e-HRM was born. This is because technology has been combined with traditional HRM tools to provide a more efficient system (Ruel et al., 2007).

According to Strohmeier and Diederichsen (2013), e-HRM introduced was introduced for four main purposes: 1) to enhance HR services, 2) to reduce administrative costs, 3) to improve decision making, and 4) to increase the time to act. Therefore, an e-HRM system can help HRM become more flexible, more strategic, more user-oriented and more cost efficient (Stone & Dulebohn, 2013).

E-HRM provides includes a website portal that allows managers, HR professionals and employees alike to view the information needed to manage the organisation with improved and efficiency (Yusliza & Ramayah, 2012). According to Parry (2011), e-HRM is a fast system, related to more traditional HRM practices, and provides more specific human resource activities. According to Alshibly (2014), an e-HRM system provides managers easy access to the required information, allows for the performance of better analysis and making decisions by just a single click. Despite these efficiencies to make e-HRM have positive impact upon the organization, trust and cooperation must exist among of the users of these systems (Alshibly, 2014).

For several years, e-HRM has been recognized as an important input in making corporate decisions (Broderick & Boudreau, 1992). Neo, Hollenbeck, Gerhart and Wright (2000) have described e-HRM as have to do with the processing and delivery of text, visual images and sound from a computer to other electronic devices with ease. The use of e-HRM systems in an organisation make HRM more systematic

because employees who are in distance places can work together through an e-HRM system. The use of e-HRM systems are gradually gained momentum and improved. The systems are becoming more orderly (Neo et al., 2000). Such improvement provides tangible benefits for a company in managing HR department.

Several previous studies have shown that productivity will increase as a result of using e-HRM. Many existing studies demonstrate that this system helps in cost savings, reduction of HR staff, and reduced workload because of the automation that e-HRM offer (Hawkin et al., 2004; Ruel et al., 2004). According to Shimon (2009), automation generally means operating independently or self-regulating without human intervention. Automation can involve machines, tools devices, installations and systems that perform a given set of activities without human involvement during those activities (Shimon, 2009).

As already noted, a company must make a substantial investment to implement an e-HRM system (Sareen & Subramaniam, 2012). After e-HRM implemented, concerns also exist over change management and the acceptance of the technology by users (Reddington et al, 2005; Ruel et al, 2004, Martin et al., 2006). This is because users' acceptance is one of the most important factors for success in the changing forms of technology (Fisher & Howell, 2004).

The use of technology like e-HRM can produce positive effects like reducing costs by decreasing the number of employees in the HR department. However, the use of technology can also have negative effects such as the retrenchment or transfer of HR department staff (Sareen & Subramanian, 2012).

According to Sareen and Subramanian (2012), control and security issues will arise in the implementation of e-HRM. This situation is a challenge for an organization in moving from HRM to e-HRM. Hawking, Stein and Foster (2004),

found that most companies see the benefits and functions of e-HRM as a tool for cost saving. Nonetheless, the main function of e-HRM is to supply high quality services to organisational users (Lepak & Snell, 1998).

According to Snell et al., (1995) e-HRM can increase customer service orientation and also improve timeliness of decision-making. Some researchers have argued that few organisations invest much money in information technology for improving operational efficiency (Lawler & Mohrman, 2003). Other researchers have said that e-HRM can help organisations achieve globalization.

Many benefits and alternative can be offered to employees in human resources department if e-HRM is implemented. E-HRM can reduce the amount of paperwork because users can access and use web-based self-services options (Hendrickson, 2003). Through Employee Self Services (ESS) and Manager Self Service (MSS), employees can read and address questions, identify what they need and solve other problem related to their scope of work without the interference from HR department staff (Hendrickson, 2003; Panayotopoulou et al., 2007). Also, the system helps a manager to confirm salary changes, salary actions and bonuses.

In addition, this system makes it easy for employees in the organisation to access personal information and they can certify whether or not the information is accurate (Reddick, 2009). Employees and manager can also approve pay rises, check holiday claims, plans for education and training courses with an e-HRM system (Olivas-Lujan et al., 2007). Therefore, e-HRM offers users many advantages such as less time in gathering information, making work easy and reducing stress.

2.3 Perceived Ease of Use

E-HRM can be a useful system that it facilitates activities of end users (Venkatesh & Davis, 2000). According to Kim et al (2009), perceived ease of use is one key determinant of the adoption of technology in a person's life. Many researchers have concluded that perceived ease of use for technology is a leading perception for usefulness by users (Ghorbani & Madani , 2011; Wen, Prybutok, & Xu, 2011; Wu & Gao, 2011; Zhou, 2011). When e - HRM can facilitate and provide many benefits, users will feel that the system has been helpful and will consider employing this system (Hendrickson, 2003).

According to Amin, Rezaei and Abolghasemi (2014), perceived ease of use has been identified as a main factor in examining and assessing users' acceptance of a particular technology. Perceived ease of use also is an important motivational factor for e-HRM users (Revels et al., 2010). Perceived ease of use also refers to perceptions of users when involved with specific objects and mental activities while performing a task (Ajzen & Fishbein, 1980; Rouibah et al., 2011).

There must be factors that can influence users in feeling happy using this e-HRM system. Mostly users perceived-HRM systems as easy to use and highly accessible (Amin, Rezaei & Abolghasemi, 2014). Thus, perceived ease of use can be considered as a factor influencing continuance intention of using an e-HRM system.

An e-HRM system needs to focus on providing a user friendly website portal (Jun et al., 2004). Most researchers have discussed perceived ease of use as important in relationship to users' satisfaction and overall loyalty during the implementation of e-HRM (Amin et al., 2014). User guidance, support and user skills are driving perceived ease of use factor in explaining the determinants of continued use of e-HRM. Lin et al. (2011) show that negative impact of perceived ease of use for users

more focus on how less experience usage e-HRM. Therefore perceived ease of use can be defined as a belief in recognize usage of e-HRM that ease and lead free of effort (Lin & Ong, 2010).

According to Rogers (1962) theory that the perceived ease of use shows the extent to which the invention is seen as not difficult to understand, operate and learn. Perceived ease of use in the TAM has been defined as the extent to which a person believes that using a particular technology would be free of effort (Davis, 1989). Perceived ease of use has been shown in previous studies to affect behaviour, either directly or indirectly through perceived usefulness.

However, researchers have previously examined whether perceived ease of use as viewed in TAM has a great influence on perceived usefulness upon technology (Lederer et al., 2000; Straub et al., 1997). According to Seddon (1997), several studies have linked the successful use of technology with the perceived ease of use IS and with user satisfaction (Wang et al., 2001). However, Brown (2002) argued that perceived usefulness does not have a major influence on technological consumption per se but rather exogenous variables are more likely to affect the perceived ease of use.

2.4 Perceived Usefulness

Perceived usefulness is defined as the extent to which users believe that using a particular system would enhance their job performance. Perceived usefulness also positively affects a user's intention of employing e-HRM system (Chen et al., 2007; Ajzen, 1991). Perceived usefulness is one of the basic background factors for the adoption of innovations, related to the utilitarian value of providing an e-HRM system to users (Revels et al., 2010).

Usability is well known as an important quality associated with an e-HRM system. Therefore, assessing the usability is becoming increasingly important in the manufacturing industry (Heo et al., 2009). Perceived usefulness refers to the extent to which targets users believe that using IS will create significant value for them (Rouibah et al., 2011; Ajzen, 1991).

An e-HRM system aims to provide users with the flexibility to access and use a variety of applications but different people have different perceptions about a concept (Revels et al., 2010). Most users compare the advantages of using e-HRM to HRM activity in the market (Rouibah et al., 2011). Therefore, the development of IS and development potential are factors through which a user views usability (Alahuhta et al., 2005).

According to TAM, perceived usefulness is the extent to which an individual believes that using a particular system would enhance their job performance (Al-Hajri, 2001; Davis, 1993; Mathwick et al., 2001). According to Davis (1989), perceived usefulness is an important component of the TAM. Perceived usefulness is the degrees of trust individuals have when using a particular system to improve performance and perceived usefulness has a significant effect on attitudes towards using an information system (David, 1986). Doll and Torkzadeh (1998) viewed perceived usefulness as the extent to which users felt that using the system would help them improve their performance, and this viewpoint says that perceived usefulness is seen as something has desirables implications to users.

According to Tan and Teo (2000) showed that the perceived usefulness is an important factor in determining the adoption of innovations. Bhattacherjee (2002) says that, the willingness of a person to deal with a particular system is impacted by perceived usefulness. Therefore, the expectation that users will use the system if they

perceive that e-HRM system will help them to achieve the desired performance (Amoako-Gyampah & Salam, 2004). Therefore, the greater the perceived usefulness of using the e-HRM system, the more likely it is that the e-HRM system will be adopted (Venkatesh et al., 2003).

Perceived usefulness also refers to the employees' reactions about whether they could accept the application of an e-HRM in the organization because perceived usefulness is one element of TAM, a main key to determine acceptance of a system, and at the same time, showing the importance of technology adoption in everyday life (Agarwal & Prasad, 1997). Much evidence exists that says perceived usefulness is a critical element in the use of technologies (Yusliza & Ramayah, 2011).

Perceived usefulness has been proven to have a direct impact on user attitudes (Bhattacherjee & Sanford, 2006; Shih, 2004). For users who have experience in using electronic systems, perceived usefulness has become an important factor compared to perceived ease of use in influencing attitudes towards the acceptance of e-HRM (Lin et al., 2011). While Lin et al., (2011) stated that perceived ease of use has an indirect effect on attitude through mediation perceived usefulness also helps forms a strong attitude and increase continuance intention in self-experienced users at the same time.

According to Venkatesh and Davis (2000), perceived usefulness occurs in the interaction between an individual and the system. Perceived usefulness is also seen as individual knowledge that can help an individual in making certain decisions (Eriksson, Kerem & Nilsson, 2005). Therefore, the conclusion can be made that acquired knowledge in decision-making depends on perceived usefulness (Doll & Torkzadeh, 1998).

It is undeniable that perceived usefulness has contributed a great impact in determining user satisfaction (Cheng, 2014). However, perceived usefulness by a user