



THE IMPACT OF E-HRM PRACTICES ON JORDANIAN BANKS CUSTOMERS' SATISFACTION

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ABSTRACT

This paper aims to identify the impact of electronic human resource management practices represented as (e-compensation and e-payment) on Jordanian banks' customers' satisfaction. These two Practices are considered as they are widely practiced in the various banks in Jordan. The customers' satisfaction with reference to the above e-hrm practices and their satisfaction in the Jordanian banking sector is studied in this paper. The study population consisted of all Jordanian banks' customers. A questionnaire was drafted and mailed to the two hundred customers randomly selected from the list of customers dealing with those banks. One hundred twenty-seven of the two hundred customers properly filled and sent the questionnaires and this is the main data source for the current study. To achieve the objectives of the study, "to investigate into any relationship between the customers' satisfaction (demographic variable) and their reaction towards implementing the E-hrm practices in their banks" the researcher used descriptive-analytical methods. The data was analyzed by employing Chi-square test at 5% level of significance using SPSS statistical software. The result showed that, the satisfaction of banks customers affects their perception towards implementing Electronic Human Resource Management in their banks".

KEYWORDS: E-HRM, Customer satisfaction, E-payment, E-compensation.

INTRODUCTION

Rapid technological changes have led to major competitive challenges as a result of the globalization of banking activity and the liberalization of financial and banking services. There is a need to adapt to these challenges and cope with their effects, keep abreast of technological developments and the development of advanced banking services, and pay attention to their quality, to increase their competitiveness.

Developments in the field of technology that our world has witnessed over the past few decades have contributed to influencing the banking systems in various countries of the world to employ many technological advantages in the field of payment and settlement through the adoption of modern electronic systems.

The world has seen huge leaps in the digital communications system this decade, as its costs continue to fall, leading to a radical change in the way individuals and institutions do business, the way funds and information are transferred, as well as significant growth in electronic financial services and the online payments system.

In the context of the strong contribution to attracting the largest possible number of customers, the various banks have tried to keep abreast of the developments taking place in our world using ELECTRONIC HUMAN RESOURCE MANAGEMENT, which keeps pace with the aspirations of

customers. Customer satisfaction and loyalty are considered one of the most important pillars adopted by banks in the province to increase the satisfaction of their customers, considering that the quality of electronic services is one of the most important advantages of maintaining customer satisfaction. Through this paper, we will try to shed light on the electronic human resources management practices applied in Jordanian banks to improve customer satisfaction. To take note of the aspects of the subject, we considered that the following problem should be posed:

To what extent can electronic human resources management practices adopted by Jordanian banks improve customer satisfaction?

ICT has become a powerful competitive weapon in businesses that can use it to influence the competitive environment to achieve their goals.

Increased interest in the quality of E-human resource management, both for the bank and for the customer, is considered an effective tool for improving services to customers.

The banking sector is considered the center and nerve of economic life, both in developing and developed countries. This is why, depending on its positive impact on economic development, banks act as financial intermediaries between insiders and investors, and provide many financial and



banking services to achieve sustainability, growth, and potential risks.

The significance of this study lies in the importance of its variables, as both electronic human resources management practices and customer satisfaction are important variables that have been the subject of many studies and research, and given the many advantages that the good application of multiple electronic human resources practices at the level of Jordanian banks and the analysis of the relationship between them and customer satisfaction.

This study seeks to achieve its objectives, the most important of which is to contribute to enriching theoretical and applied knowledge about electronic practices for human resources and to know the extent to which practices of electronic human resources management contribute to achieving customer satisfaction in Jordanian banks.

LECTURER REVIEW

Ziebell (2019) Adoption and Implementation of e-HRM in a Cloud Computing Environment: A Field Study: This qualitative study explores HRM digitization in a cloud-based environment. The driving factors for the transition from traditional HRM to e-HRM are analyzed with a particular focus on the success factors from a strategic to an operational level. Furthermore, there is an in-depth analysis of the current and new HR metrics emerging during the transition. The study based on interviews with HR experts with extensive experience integrating the new technology and working with it. The HR department's active involvement is relevant to the success of the HRM digital transformation project. HR metrics have not been extensively applied to date, and are less used to control and optimize HR processes. New metrics will increase recognition of the new technology and hence the overall HR transition performance. The main contribution relates to the field of cloud-based solutions adoption by HR software.

Prakash (2019) Digitalization of HRM Practice in the Present Scenario: Digitalization is transforming organizations, and new skills and technologies associated with digital transformation need to be recognized and explored and all businesses are now considered to be digital. Thanks to such innovations the definition of the present era is the "digital age". Digital technologies are playing an increasingly prominent role both in workers' lives and in HRM, which seems to be influenced in many respects. Consequently, the task for HRM is to recognize real digitally-driven shifts in younger workers' attitudes, skills, behaviors and desires, while preventing any stereotyping and recognizing the complexity of actual changes. Data regarding employee work is becoming more and more dependent on digital tools as well as media. Using technology from an HR perspective to connect people and information is the challenge currently facing HR leaders. HR-IT has now gained considerable importance due to its use in organizations to increase productivity by maximizing the value of the most important asset the employees in the digital age of the organization make. **Hadziroh's (2013)** Satisfaction with E-HRM in Malaysia's Government Organizations: A Proposed Field Theory-based Model. This research relates to

the discussion of the E-HRM in the IS and Malaysian literature. A model will be presented and three main hypotheses will be tested in the future, based on the review of E-HRM literature, user satisfaction, technostress, role stress, and organizational IS-related support and Field Theory. The research's future results will provide useful insights into the E-HRM region, particularly into the implementation of HRMIS in Malaysia. **Jaradat (2013)** Electronic Human Resource Management: Issues and Challenges in Jordanian Universities. The study aims to define the challenges facing electronic human resource management and their effect on faculty members of private Jordanian universities. The data was collected using a questionnaire especially prepared for this purpose. The study concluded a group of recommendations that were suggested for the private Jordanian universities to improve their level of implementation of the E-HRM application. **Sareen, P. (2015)**. Employee satisfaction analysis on e-HRM program. The study aims to find a relationship between different demographic variables and the level of employee satisfaction (referred to in the study as End-users) towards their respective organizations' e-HRM systems. The research was carried out in the Indian NCR. A sample of 182 respondents (End-users) was taken into account. The results showed that duration, job experience, and age have a significant relationship to the e-HRM program for selected organizations' end-users with the level of satisfaction. There is however no significant relationship between the 'levels of satisfaction with gender for selected organizations' end-users. **Tarigan (2017)**. A comparison of the integrated scorecard-based e-performance evaluation of academic and non-academic staff: a case study: performance assessment is a method used by most organizations, including higher education, to evaluate their staff's performance. In Indonesia, higher education personnel are approximately divided into two categories, the academic and the non-academic, and both classes are usually evaluated each year. This study is based on the E-performance assessment work used by the University of Petra Christian to evaluate its academic and non-academic staff. The performance evaluation used is based on the four-pronged Balanced Score Card (BSC), learning and development, internal business process, customer satisfaction, and financial performance. The administrative divisions responsible for the data shall submit data entries on the output of the workers online. Judgmental sampling and a simple random sampling of forty academic and forty non-academic workers were used to collect data. Using the t-test, it is discovered that there is a difference between academic and non-academic e-performance in the aspects of learning and development and financial performance. There is no major difference in the areas of customer satisfaction and internal business method.

STUDY MODELS AND HYPOTHESES

The research model was shaped from two comprehensive variables including E-HRM practices, (E-payment and E-Compensation). Operational performance is a dependent variable (customers' satisfaction). These variables



are derived from a review of academic literature. Moreover, the linkages between variables are developed based on the theoretical framework.

Based on theoretical background and evaluation of previous literature, a conceptual model used to be developed to show the impact of electronic h-r-m on customer satisfaction.

1. There is no relation between the bank's customers and their satisfaction/dissatisfaction due to the implementation of E-HRM practice- E-payment in Jordanian banks.
2. There is no significant between the bank's customers and their satisfaction/dissatisfaction due to the implementation of E-HRM practice- E-compensation in Jordanian banks.

RESEARCH METHODOLOGY

Justification for Selecting the Descriptive Research

A descriptive approach was used to describe the phenomenon in question, drawing on a variety of references in analyzing both electronic practices and customer satisfaction and the relationship between them. In addition, the case study approach was used as a primary tool for collecting data on study changes and analyzing the relationship between the application of electronic human resource practices and customer satisfaction. The Cronbach's Alpha coefficient is above 0.84 (high reliability). This indicates that each individual item is internally consistent and hence indicates a high degree of reliability.

Justification of Selection of the Questionnaire

The questionnaire came with a brief description of the meaning of the main concepts, and it gave instructions on how to answer each section of the questionnaire. A preliminary draft was developed based on an extensive literature review. It includes many questions that are consistent with the research objectives. For that reason, the research surveys could be described as being comprehensive. It is divided into two parts.

The first part includes the personal information of the respondents. The second part includes questions related to E-HRM practices and the satisfaction of the Jordanian banks' customers.

Sample size

The sample survey covered the banks' customers in which the E-HRM system is being implemented. Two hundred questionnaires were sent to customers. 136 questionnaires were returned. One hundred twenty-seven of these were found to be properly filled and had complete information and hence they are considered for my study.

DATA ANALYSIS AND RESULT

This sample of one hundred twenty-seven respondents contains 76 male and 51 female respondents, which make up 59.8 and 40.2 percentage respectively. The largest group of respondents that is (79%) with Bachelor's degree the smallest group of respondents (0.0%) with a Ph.D. degree leaving the rest 21% with a master's degree. 29.8% of the respondents are with (11-15) years of experience while 19.9% have less than five years of experience leaving the remaining with other smaller years of experience.

Based on the objectives and hypotheses of the study, the researchers applied the chi-square test of independence at 5% level of significance to test the association between Jordanian banks customers satisfaction due to adopting E-HRM practices (E-compensation and E-payment) in their banks. The hypothesizes to be tested is as below.

- H1 stat that, "There is no significant between the bank's customers and their satisfaction/dissatisfaction due to the implementation of E-HRM practice- E-payment in Jordanian banks".

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	4.207 ^a	1	.040		

The statistical output showed a p-value of 0.040, which is less than 0.05 and hence, ***Null hypothesis is Rejected.***

Chi-Square test proved that, "There is relation between the satisfaction of Jordanian banks customers and implementing the E-HRM practice (E-payment)". This enables me to conclude that, "The Jordanian banks customers affects their

perception due to implementation of E-payment in their banks".

- H2 stat that, "There is no significant between the bank's customers and their satisfaction/dissatisfaction due to the implementation of E-HRM practice- E-compensation in Jordanian banks".

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	8.574 ^a	3	.036



The statistical output showed a p-value of 0.036 which is less than 0.05 and hence, **Null hypothesis is Rejected.**

Chi-Square test proved that, "There is a significant between the satisfaction of Jordanian banks customers and implementing the E-HRM practice (E-Compensation)". This enables me to conclude that, "The satisfaction of banks customers affects their perception towards implementing E-compensation in their banks".

CONCLUSION

This paper aims to build a more complete framework of the factors affecting Jordanian bank customers. The results of this study clearly show the electronic human resource management practices and selected factors (electronic compensation and electronic payment). It significantly affects the satisfaction of Jordanian banks' customers.

This study contributes to the understanding of e-HR management practices and customer satisfaction. Describes the integration of electronic human resource management practices and satisfaction with regard to the customer experience of Jordanian banks. I hope these conclusions shed some light on senior management and allow them to pay more attention to practices to manage electronic human resources for their importance in improving customer satisfaction in the Jordanian banking sector.

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