# The Impact of Electronic Human Resource Management (e-HRM) Practices on Bank's Environmental Performance

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#### Abstract

The environment change is the most complicated issue that world is facing today. These changes particularly from financial sectors, mainly create negative impact on the environment. This situation compelled the banks to involve themselves in responsible activities and improve their environmental performance. Nowadays, it is observed that HRM (human resource management) functions can be transformed and integrated in digital forms within banks known as e-HRM. Thus, in rapidly changing environment, banks are trying to adopt e-HRM (electronic human resource management) applications to enhance the bank's environmental performance. Hence, the objective of this study is to find out the impact of e-HRM on bank's environmental performance of selected Commercial banks in Batticaloa Region of Sri Lanka. This study was conducted theoretically and empirically in Sri Lankan banks. In order to achieve the objective, primary data were collected from 155 employees of selected bank branches and the structured questionnaire was administered to collect the data. The data were analyzed by using univariate, bivariate and multivariate analyses. The finding of the study revealed that e-HRM practices have positive and significant impact on bank's environmental performance in overall. And it was also seen that communication which is one of the e-HRM practices was found to have positive and significant impact on bank's environmental performance however, recruitment and selection, employee data and pay management, performance management, training and development, knowledge management and operational and other HRM activities were not a significant predictor of bank's environmental performance. The current study will be vital in understanding the empirical knowledge regarding the impact of e-HRM practices on bank's environmental performance.

**Keywords:** electronic-human resource management, practice, environmental performance, commercial banks

# Introduction

Today's global changes pose challenges in increasing the competitiveness of organizations, especially with regard to the use of electronic means, such as computers

and communication networks. Humanity has entered the twenty-first century and has the torch of an unprecedented scientific revolution. Human resource (HR) is probably one of the most complicated aspects of running an organization's operations both in the public and private sectors of the world. Further, people and their knowledge are considered to be the company's key assets. And also they should be managed by an organization that is good for employees as well as other stakeholders. In the field of human resource management (HRM), all modifications call for changes, new developments, emerging concepts and practices basically reflect responsive nature of this field (Arulrajah, 2016). Yet HR is incredibly important, as most organizations in the world are trying to use their HRM activities through web-based management tools in order to grow and develop HR and increase the efficiency and productivity of the whole system. With the appearance of these technologies, a new wave of HR technology known as e-HRM has emerged (Hooi, 2006).

The use of technology in HRM or HRM electronically is called e-HRM, meaning the application of web-based techniques in HR related systems and functions (Hopkins & Markham, 2006). E-HRM is a new type of management thought and practice that embraces the fast changing era, adapts its renewable technologies, Information and communication in the performance of its functions, where HRM relates to the set of policies and practices required to implement the various HRM activities needed by an organization to operate in the changing environment of organizations and businesses. It facilitates the HR functions to create dynamic and operational capabilities and contributes greatly on HRM effectiveness.

Banks employ several e-HRM functions that reduce the negative environmental impact of banks. E-HRM functions mainly focus on paperless offices and digital banking system to reduce the carbon footprint of the bank. For example, online recruitment, online training, e-learning, and etc. Further, banks raise awareness on environmental issues and they implement many environmental initiatives and practices to reduce carbon footprint. Hence, the banking industry becomes environmental friendly and leads towards a green revolution, thus achieving bank's environmental performance. Therefore, this study analyses the impact of e-HRM practices on bank's environmental performance.

E-HRM is an inevitable era for HR applications in organizations especially in the banking context which is dominated by information technologies. Because of this, HR practitioners' and researchers' interest in e-HRM has increased, there are many empirical studies represent a variety of contexts, factors and measures of e-HRM (Fındıklı & Bayarçelik, 2015). In addition, an escalating number of researchers state that e-HRM is becoming common and may lead to remarkable changes in the organizational cores (Hopkins & Markham, 2003; Ruël, Bondarouk, & Looise, 2004; Strohmeier, 2007; Marler & Fisher, 2013; Dulebohn & Marler, 2005; Ruël & Kaap, 2012; Kaur, 2013; Strohmeier & Kabst, 2014; Nivlouei, 2014). Further, e-HRM has increasingly been a field of study for many scientists. Most of the studies have been handled in the United

States and Europe. Several past studies have been conducted on the e-HRM by many researchers in various developed countries (Rawash & Saydam, 2012).

In recent years, e-HRM has been growing rapidly and it has taken advancement in banking sector. It is one of the newest topics of HRM with the aim of optimizing the procedures of the banks in order to speed up the HR functions, reducing costs and freeing employees from administrative constraints to implement the strategic role that has been created (Seifi & Ahangar, 2010). As the role of bank reducing the carbon footprint in the society is extremely important (Malu, Agrawal, & Jajoo, 2014), banking sector plays a crucial part in promoting its environmental performance. So in this context, it is evident that e-HRM and bank's environmental performance are gaining prominence in today's banking sector.

Many scholars have conducted research studies regarding e-HRM (Hooi, 2006; Voermans & Van Veldhoven, 2007; Yusliza & Ramayah, 2011; Pratheepan & Arulrajah, 2012) but it was difficult to find a piece of review or empirical research work which integrates e-HRM and bank's environmental performance in the existing literature. Apparently, there are lacunas in empirical studies undertaken in Sri Lankan context regarding e-HRM practices together with bank's environmental performance. In order to fulfill this gap, this study was conducted theoretically and empirically in Sri Lankan banks. Hence, the objective of this study is to find out the impact of e-HRM on bank's environmental performance of selected Commercial banks in Batticaloa Region of Sri Lanka.

To empirically find the impact of e-HRM on bank's environmental performance, the paper is divided into following sections, section 1 presents insights of e-HRM, environmental performance and its current needs, section 2 provides a brief review of literature, section 3 gives methodology, followed by results and discussion contained in section 4. Finally, section 5 indicates conclusion and implications.

# **Literature Review**

#### E-HRM

The term of e-HRM was first started to be used in the late 1990's when "e-commerce" was emerging in the business world (Olivas-Lujan, Ramirez, & Zapata-Cantu, 2007; Lengnick-Hall & Moritz, 2003). Literature suggests that the various goals of e-HRM and the different types of e-HRM are expected to result in outcomes including more efficient HRM procedures. E-HRM, as the matter of fact, is expected to contribute to the effectiveness of HRM, which consequently could help achieve the organization's goals (Kausar & Sreenivas, 2015). Bondarouk and Ruel (2009) stated that e-HRM possesses three main goals such as reducing costs, improving HR services and improving strategic orientation. But Ruel, Bondarouk, and Vander (2006) suggested that e-HRM has four

goals namely cost reduction, improving HR services, improving strategic orientation and global orientation. Therefore, the application of e-HRM in any organizations including banks is inevitable.

The concept of e-HRM has been defined in several ways from the 1980's, as "specialized information system within the traditional functional areas of the organization, designed to support the planning, administration, decision making and control activities of HRM" (DeSanctis, 1986). It has definitions and names of the same meaning, some of which are called in the foreign literary studies the term e-HR, or virtual HRM, others call it HR intranet, web-based HR, and other researchers call it another term computer based HRM, in addition to others called it HR portals (Ruel, Bondarouk, & Van Der Velde, 2007). E-HRM is a technology that provides the HR functions with opportunities to create new areas to contribute to organizational success (Ramayah, 2011). According to Strohmeier (2007), e-HRM technology is a way of implementing HR strategies, policies and practices. And it is also shown that the same author defined e-HRM as the planning, implementation and application of IT for each of the networks and the support of at least two actors, individual or collective to perform their joint duties for activities of HR. Further, Bondarouk and Ruel (2009) stated that e-HRM is an umbrella term covering all possible integration mechanisms and contents between HRM and IT, aiming at creating value within and across organizations for targeted employees and management. It is revealed, although the term e-HRM is now widely used, but a clear and precise definition of e-HRM cannot be found (Autarkhani & Alaeddin, 2012; Bondarouk & Ruel, 2009).

Based on the above literature, the researchers define e-HRM as a practice that applies IT to perform HRM functions effectively and efficiently. The effectiveness of the HRM practices that contribute to speedy decision making, less cost, saving time, and etc. in an organization is solely the result of e-HRM.

#### **Environmental Performance**

Environmental performance concept has considerably evolved over the last decades. The basic idea is that business would adopt efficient pro-active environmental initiatives as a result of raising public pressures and the threat of more stringent governmental regulations. The growing interest for the environmental aspect relating to the implementation of environmental management system (EMS) illustrates the trend towards voluntary self-regulation very well. An EMS may be viewed as a set of management rules and procedures designed at reducing the environmental impacts of an organization. It involves, for example reviewing and documenting the organization activities having a negative impact on the environment, developing an environmental policy statement and a plan to achieve environmental objectives (Barla, 2007).

Further, Environmental authorities have given organizations very strict norms to follow and are much more vigilant as this issue has caused much uproar in the recent past with the society. And environment protection activity that was limited to households and community in the past has now become compulsion on commerce. It is encouraging to note that this has transpired to add value to businesses. Investors and shareholders take pride in being associated with such activity. Thus, organizations especially banks now highly focus on their environmental performance.

Environmental performance is not only just a corporate environmental protection, but it is something much broader to include a proactive, transparent and long-term administration to meet certain well defined objectives in corporate planning to protect natural resources and competitiveness of firms. Klassen and Whybark (1999) stated that environmental performance is a matter of output in environmental management, which refers to the firm's activities and products on the natural environment. It reflects an output demonstrating the degree to which firms are committed to protecting the natural environment.

Horvathova (2010) identified environmental performance by ratio of toxic wastes, penalties paid for the violations of environmental regulations, adoption of ISO 14001 and environmental efficiency score. Qi et al. (2014) adopted the emission intensity to measure the environmental performance. Hence, it is found that the environmental impact of the firm can be measured by rating, index or environmental score. Further, Tung, Baird, and Schoch (2014) pointed out that the efficient use of material is the best metrics to measure the environmental performance of the firms. Thus, all organizations take leadership in performing their activity within an environmental friendly framework to conceptualize environmental performance in order to sustain curiosity in the business of their key stakeholders.

# E-HRM and Environmental Performance

E-HRM is believed to be one of the fundamental factors that every single organization needs to focus on. Everything will be processed through electronic solutions, and as a consequence, it can help foundations guarantee its continuity (Choochote & Chochiang, 2015). It is the computerized and web-based solution that takes advantage of the latest web application technology to deliver an online real time HRM solution. This computerization leads to the desire to improve transactions and procedures for HR in terms of accuracy, speed and integration (Shilpa & Gopal, 2011). Besides several benefits of computerization, there is a factor like paper-less business resulting in waste management, eco-friendliness and pollution control. In this sense, Thevanes and Arulrajah (2017) stated that e-HRM has the ability to contribute to environmental performance by reducing the paper usage, improving energy conservation. Further, some authors argued that e-HRM helps to change the culture of the organization from being a paper based culture to an electronic based culture in all work fields, providing a work environment based on information and telecommunication technology (Barker, 2002; Deshwal, 2015; Lengnick-Hall & Moritz, 2003; Olivas-Lujan et al., 2007; Patil, 2013;

Srivastava, 2010). Paperless culture is one of the ways to reduce the carbon footprint (Bahl, 2012). This paperless culture in the banking sector which results in reducing the carbon footprint from internal banking operations, promoting environmental friendly practices (Ginovsky, 2009; Schultz, 2010). Since, e-HRM is found to be in alliance with environmental performance, researchers believe that there may be a relationship existing between the two domains.

According to Kausar and Sreenivas (2015), e-HRM, as the matter of fact, is expected to contribute to the effectiveness of HRM, which consequently could help achieving the organization's goals. And the role of e-HRM practices in achieving operational performance (time, cost, quality of service, and flexibility) by providing the members of the organization with real information enabling correct right decisions reactions in making orders to enhance operational performance (Khashman, & Al-Ryalat, 2015). It improves the effectiveness of the HR functions (Bondarouk & Ruel, 2009; Gardner, Lepak, & Bartol, 2003; Payne, Horner, Boswell, Schroeder, & Stine-Cheyne, 2009). These effectiveness and efficiency of HR function reduce the work burden and the overtime hours. Reducing the overtime leads to minimize the energy conservation. For instance, if the overtime is reduced, banks can be closed early, it leads to switching off lights, AC, computer, and etc. early. In this way, reducing the overtime saves the consumption of energy and generates lower carbon dioxide emissions (Shaumya & Arulrajah, 2017). Thus, banks try to reduce as much carbon dioxide emissions and energy conservation as possible and achieve operational efficiency in banking operations through e-HRM practices in order to improve the bank's environmental performance. Hence, it is revealed that by saving energy, e-HRM has a positive impact on bank's environmental performance.

Some e-HRM practices such as electronic recruitment and selection, electronic communication, electronic training and development contribute to reduce the carbon footprint by reducing the travelling and transportation of employees. For instance, electronic recruitment allows storing great amounts of CVs online, which makes the process unconstrained by geographical locations (Tong, 2009) and electronic training is being implemented in companies since it does not have the limitations of traditional training, such as location (Bell, 2007). These practices avoid travelling which leads to minimize the carbon footprint (Shaumya & Arulrajah, 2017). Because, travelling burns fossil fuel which is harmful to the environment and burning fossil fuel is increasing emissions. So, these e-HRM practices tend to protect the environment which in turn leads to foster the bank's environmental performance.

Nowadays, organizations are paying a great attention to ensure the organizational sustainability. In this context, Thevanes and Arulrajah (2017) have identified e-HRM as the one of the sustainable HRM practice which equally contributes to the economic, social and environmental performance of organization. E-HRM contributes to sustainability outcomes such as environment, economic and social aspects. It helps in

reducing environmental waste (e.g., paper, staples, files) and social waste (e.g., processing time for searching documents and decision making), and economical waste (e.g., cost related with preparing documents, labourers' salary due to extra time of working) of conducting HR's task (Yusoff, Ramayah, & Othman, 2015). The sustainability outcome brought an idea that e-HRM should be appreciated as one of the environmental initiatives. As e-HRM can be considered as one of the most powerful driving force towards enhancing organizational sustainability, e-HRM has an impact on environmental performance. By using the findings of previous studies in connection with e-HRM and bank's environmental performance this study shows a positive association between e-HRM and bank's environmental performance.

#### Conceptual Model

The research model of this paper was shaped from two comprehensive variables including e-HRM practices and bank's environmental performance. Based on theoretical background and review of the previous literature, a conceptual model was developed to examine the impact of e-HRM practices on bank's environmental performance. Figure 1 presents the research model.

E-HRM Practices
Recruitment and Selection
Employee Data and Pay Management
Performance Management
Training and Development
Communication
Knowledge Management
Operational and Other HRM Activities

Figure 1: Conceptual Model

(Source: Developed for this study purpose)

# Methodology

The objective of this study is to find out the impact of e-HRM on bank's environmental performance of selected Commercial banks in Batticaloa Region of Sri Lanka. The study was done in the natural environment where work was preceded normally. None of the variables were controlled or manipulated. Hence the study was a non-contrived study. This study depended on the primary data. The primary data were collected through self-administrated questionnaire. The survey was carried out among the sample of 155 employees of selected Commercial Banks in Batticaloa Region of Sri Lanka. The sample method of the survey was disproportionate stratified sampling, because to assure representation of employees belonging to different grades in the selected banks. The primary data collected from the sample were analyzed using the computer based

statistical data analysis package, SPSS (version 19.0) to measure the descriptive statistics, simple regression and multiple regression analysis. The data analyses include univariate, bivariate and multivariate analyses.

#### Measures

Researchers used sixteen items for e-HRM practices such as recruitment and selection, employee data and pay management, performance management, training and development, communication, knowledge management and operational and other HRM activities in this study suggested by Pratheepan and Arulrajah (2012). Each item of this instrument was rated using a five points Likert scale (1 = strongly disagree to 5 = strongly agree) to indicate how respondents agree or disagree regarding availability of e-HRM practices in their banks. The instrument had a good degree of reliability with a Cronbach's alpha of 0.91. Table 1 shows the quality of the seven dimensions of their instrument.

Table:1 The Reliability Analysis of the 7 Dimensions of E-HRM

| Variable and its Dimensions          | No. of Question<br>Items | Cronbach's<br>Alpha Value |
|--------------------------------------|--------------------------|---------------------------|
| E-HRM                                |                          | 0.91                      |
| Recruitment and Selection            | 01                       | 1.00                      |
| Employee Data and Pay Management     | 03                       | 0.65                      |
| Performance Management               | 01                       | 1.00                      |
| Training and Development             | 02                       | 0.53                      |
| Communication                        | 03                       | 0.76                      |
| Knowledge Management                 | 02                       | 0.76                      |
| Operational and Other HRM Activities | 04                       | 0.82                      |

(Source: Survey Data)

The bank's environmental performance (dependent variable) was measured by an opinion question through five point Likert scale (1 = very low to 5 = very high) that was the perceived level of bank's environmental performance. This study has used only a single item question to measure the bank's environmental performance. Hence, its alpha value is 1.

# **Results and Discussion**

The profile of sample consists of bank, job position, gender, age, educational qualification and working experience of 155 employees of selected Commercial Banks in Batticaloa Region of Sri Lanka. The frequencies and percentages are shown in Table 2.

Table 2: Sample Profile

| Sample Profile | Category                  | Frequency | Percentage |
|----------------|---------------------------|-----------|------------|
| Banks          | Commercial Bank of Ceylon | 13        | 8.4        |

|                    | PLC                              |    |      |
|--------------------|----------------------------------|----|------|
|                    | HNB PLC                          | 29 | 18.7 |
|                    | Seylan Bank PLC                  | 15 | 9.7  |
|                    | Sampath Bank PLC                 | 20 | 12.9 |
|                    | People's Bank                    | 27 | 17.4 |
|                    | DFCC Bank PLC                    | 7  | 4.5  |
|                    | NDB PLC                          | 15 | 9.7  |
|                    | NTB PLC                          | 11 | 7.1  |
|                    | Union Bank PLC                   | 11 | 7.1  |
|                    | Pan Asia Banking Corporation PLC | 7  | 4.5  |
|                    | Manager                          | 12 | 7.7  |
|                    | Assistant Manager                | 15 | 9.7  |
| Job Position       | Officer                          | 33 | 21.3 |
| JOD POSITION       | Banking Assistant                | 61 | 39.4 |
|                    | Banking Trainee                  | 21 | 13.5 |
|                    | Other                            | 13 | 8.4  |
| Gender             | Male                             | 92 | 59.4 |
| Gender             | Female                           | 63 | 40.6 |
|                    | 18-28years                       | 87 | 56.1 |
| Age                | 29-38years                       | 53 | 34.2 |
| Agu                | 39-48years                       | 11 | 7.1  |
|                    | Over 49years                     | 04 | 2.6  |
|                    | Ordinary Level                   | -  | -    |
| Educational        | Educational Advance Level        |    | 75.5 |
| qualification      | Graduate                         | 30 | 19.4 |
|                    | Postgraduate                     | 08 | 5.2  |
|                    | 3 years and below                | 49 | 31.6 |
| Working experience | 4-5 years                        | 33 | 21.3 |
|                    | Above 5 years                    | 73 | 47.1 |

(Source: Survey Data)

Table 3 displays descriptive statistics for all variables tested in the study. The descriptive statistics of the study suggest that there are high levels of e-HRM and environmental performance exist in the selected Commercial Banks in Batticaloa Region of Sri Lanka.

| Variables                        | N   | Mean | Standard Deviation |
|----------------------------------|-----|------|--------------------|
| E-HRM                            | 155 | 4.06 | 0.70               |
| Bank's Environmental Performance | 155 | 4.10 | 0.82               |

(Source: Survey Data)

Correlation between the e-HRM and bank's environmental performance is shown in Table 4.

Table: 4 Correlations between the E-HRM and Bank's Environmental Performance

|  |                 |          | Bank's        |  |  |
|--|-----------------|----------|---------------|--|--|
|  |                 | E-HRM    | Environmental |  |  |
|  |                 |          | Performance   |  |  |
| E-HRM  | Pearson         | 1        | .542**        |  |  |
|  | Correlation     | 1        | .342          |  |  |
|  | Sig. (2-tailed) |          | .000          |  |  |
|  | N               | 155      | 155           |  |  |
| Bank's   | Pearson         | .542**   | 1             |  |  |
|  | Correlation     | .542 · · | 1             |  |  |
| Environmental  | Sig. (2-tailed) | .000     |               |  |  |
| Performance  | N               | 155      | 155           |  |  |
| **. Correlation is significant at the 0.01 level (2-tailed). |                 |          |               |  |  |

(Source: Survey Data)

The result shows, the coefficient of correlation (r) is 0.542. Based on the decision rule, there is a strong positive correlation between e-HRM practices and bank's environmental performance. The significance level is 0.000 which is below 0.05 (p <0.05). Therefore, researchers conclude that there is a positive relationship between e-HRM and bank's environmental performance. This means that the extent of implementation of e-HRM has positive effect on the level of bank's environmental performance. It shows that implementation of e-HRM practices tend to improve the environmental performance of banks.

Based on the objective of the study, researchers applied the simple regression analysis. Tables 5 and 6 represent the simple regression analysis, based on the significant level of (0.05).

Table 5: Model Summary of Impact of E-HRM Practices on Bank's Environmental Performance

| Model | R                 | R square | Adjusted R Square | Std. Error of the Estimate |
|-------|-------------------|----------|-------------------|----------------------------|
| 1     | .542 <sup>a</sup> | .294     | .289              | .694                       |

a. Predictors: (Constant), e-HRM Practices

b. Dependent Variable: Bank's Environmental Performance

(Source: Survey Data)

Table 6: Coefficients of e-HRM Practices on Bank's Environmental Performance

| Model   | Unstandardized<br>Coefficients |            | Standardized Coefficients | t     | Sig. |  |
|---|--------------------------------|------------|---------------------------|-------|------|--|
|   | В                              | Std. Error | Beta                      |       |      |  |
| (Constant)  | 1.530                          | .327       |                           | 4.676 | .000 |  |
| E-HRM Practices   | .633                           | .079       | .542                      | 7.981 | .000 |  |
| a. Dependent Variable: Bank's Environmental Performance |                                |            |                           |       |      |  |

(Source: Survey Data)

The impact of e-HRM practices on bank's environmental performance has been studied using simple regression analysis. The results revealed R at 0.542, which represents positive correlation between e-HRM practices and bank's environmental performance and R square at 0.294, which implies that 29.4% of variability in bank's environmental performance is accounted by the e-HRM practices. In other words, 70.6% of variance of bank's environmental performance is affected by other variables (Table 5). The t-value (7.981, Sig. <0.001) further confirms that e-HRM is associated with the improved environmental performance.

As the investments to be made in technologies are high (Lengnick-Hall & Moritz, 2003), e-HRM technology promises several advantages to an organization that can benefit from when using these technologies. And also e-HRM reduces the paperwork, hours of processing to minutes and costs of HR transactions (Lengnick-Hall & Moritz, 2003; Jones, 1998). It is evident that e-HRM helps to reduce the environmental impact on the banking operations. Hence, it is becoming an environmental friendly function. Thus leads to support the objective i.e. e-HRM practices have positive and significant impact on bank's environmental performance (Table 6).

Moreover, to analyze the impact of each dimensions of e-HRM on bank's environmental performance stepwise multiple regression analysis was used. The results are shown in Tables 7 and 8.

Table 7: Model Summary of Impact of Independent Variables on Bank's Environmental Performance

| Model | R     | R<br>Square | Adjusted R<br>Square | Std. Error of the Estimate |
|-------|-------|-------------|----------------------|----------------------------|
| 1     | .602a | .363        | .333                 | .672                       |

a. Predictors: (Constant), recruitment and selection, employee data and pay management, performance management, training and development, communication, knowledge management and operational and other HRM activities

(Source: Survey Data)

The model summary of multiple linear regression shows, R (0.602) is correlation coefficient between recruitment and selection, employee data and pay management, performance management, training and development, communication, knowledge management, operational and other HRM activities and dependent variable - bank's environmental performance. It indicates that there is a strong positive correlation between each seven indicators of e-HRM and bank's environmental performance. R square is 0.363. Therefore, researchers conclude that 36.3% of variability in bank's environmental performance is accounted by combine of recruitment and selection, employee data and pay management, performance management, training and development, communication, knowledge management and operational and other HRM activities. In other words, 63.7% of variance of bank's environmental performance is affected by other variables.

Table 8: Coefficients of Independent Variables and Environmental Performance

|    |                                  | Unstandardized |            | Standardized |        |      |
|----|----------------------------------|----------------|------------|--------------|--------|------|
|    |                                  | Coefficients   |            | Coefficients |        |      |
| Mo | del                              | В              | Std. Error | Beta         | t      | Sig. |
| 1  | (Constant)                       | 1.242          | .329       |              | 3.770  | .000 |
|    | Recruitment and Selection        | .070           | .072       | .086         | .981   | .328 |
|    | Employee Data and Pay Management | .131           | .105       | .129         | 1.242  | .216 |
|    | Performance<br>Management        | .033           | .058       | .047         | .573   | .567 |
|    | Training and Development         | .178           | .077       | .195         | 2.297  | .023 |
|    | Communication                    | .302           | .091       | .312         | 3.320  | .001 |
|    | Knowledge<br>Management          | .171           | .093       | .176         | 1.837  | .068 |
|    | Operational<br>Activities        | 173            | .098       | 193          | -1.766 | .080 |

# a. Dependent Variable: Bank's Environmental Performance

(Source: Survey Data)

Coefficient result shows that recruitment and selection, employee data and pay management, performance management, training and development, knowledge management and operational and other HRM activities are not significant to predict the bank's environmental performance of Commercial Banks in Batticaloa. However, communication has positive significant influence over the bank's environmental performance. The high  $\beta$ -coefficient of communication (t=3.320, p<.001,  $\beta$ =.312) shows that it has a large predictive value for the dependent variable of bank's environmental performance.

Therefore, the regression equation model is as follows:

Bank's Environmental Performance = 1.242 + 0.302 (communication)

Since e-HRM has an impact on the bank's environmental performance, according to the results of the multiple regression analysis, only one dimension namely communication is seen significant to the bank's environmental performance. Thus, further study is needed to prove the theoretical argument of this study.

# Conclusion

The dynamic changes in the Internet during the last decade have stimulated the implementation and application of e-HRM. It is the efficient and effective leveraging of technologies to deliver HR solutions that reduce negative environmental impact. Thus, e-HRM facilitates HR functions with the chance to draw new pathways not only for organizational success but also foster environmental performance. As environmental protection has become a part of strategy in most organizations both researchers and practitioners have called for more research works. Although, many research works have been done on e-HRM, however, exploring the impact of e-HRM on bank's environmental performance has not been done so far. Hence, researchers have conducted this study in order to fulfill this empirical gap.

The present study examined the impact of e-HRM practices on bank's environmental performance. So, the analysis has made use of descriptive statistics, correlation, and regression analyses. Based on the objective, this study has confirmed a statistically significant and positive impact of e-HRM practices on bank's environmental performance. Similarly, the simple regression analysis showed e-HRM could be significantly explained by the variance of bank's environmental performance.

Further, multiple regression analysis proved that communication was found to have positive and significant impact on bank's environmental performance. However,

recruitment and selection, employee data and pay management, performance management, training and development, knowledge management and operational and other HRM activities were not a significant predictor of bank's environmental performance. Even though they are e-HRM practices, it does not directly contribute to the environmental performance of banks, similar to communication. This may be the reason to exclude those practices from the final model of this study. At the same time, communication through electronic is directly contribute to reduce the negative environmental impact and to improve the positive environmental impact of banks. Due to that it contributes to the final model of the study.

Banks are generally considered as environmental friendly in terms of emissions and pollutions. They run as the core of economy and inextricably linked with society. So, banks should focus on environmental friendly projects with the motive of pushing their business to greater heights. Based on the findings of this study, in order to improve the environmental performance, banks manage their employees through HR practices electronically. Hence, the implementation of e-HRM practices dramatically improves the bank's environmental performance. It enables the banks to safeguard the environment and build an image as the good corporate citizens. Hence, e-HRM can be an avenue to reduce pollution and save the environment.

This study is beneficial for both academics and banks due to its significant influence on corporate environmental management in banking context. For the academics, this study contributes to understand the impact of e-HRM practices on bank's environmental performance. Based on the anecdotal evidences there are very few research works are available in this area in Sri Lanka. Hence, this study is one of the pioneering studies in this field which contributes to understand the impact of e-HRM on bank's environmental performance. Therefore, findings of the study also contribute to e-HRM literature.

This study is useful for banks that are intended to become a greener bank as well as to achieve environmental goals. Based on the results of the study, e-HRM has significant impact on bank's environmental performance. So, through the e-HRM, banks can turn into green banks in certain level. Through this study, the employees of the banks can be knowledgeable about e-HRM practices and can successfully involve in implementing those practices in future in order improve bank's environmental performance. Hence, this study is beneficial to the banks in order to sustain and succeed in the competitive banking industry.

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