# THE ROLE OF E-SELF SERVICE ON THE ORGANIZATIONAL OUTCOMES IN HELB, KENYA

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# ABSTRACT

The twenty-first century has brought with it the ever-increasing effects of globalization and technology. Organizations are adopting the usage of technology to not only propel Human Resource to a new era and attain competitive advantage in a dynamic market space, but to also adapt to the needs of the ever-changing workforce. The study particularly sought to assess the role of e-self-service function on organization outcomes at the Higher Education Loans Board, Kenya. The study employed a descriptive research design. Questionnaires were used as the main mode of data collection. Data collected was analyzed by use of statistical tools for data analysis namely, MS-Excel and Statistical Package for Social Sciences (SPSS). Data was then

presented in frequency tables as well as figures. The study concludes that e-Self Service has a significant effect on the organizational outcomes in HELB, Kenya. In line with the study findings, it is recommended that the management of the Higher Education Loans Board should optimize use of the online recruitment for fairness and objectivity in the entire process, enhance transparency and turnaround time. In addition, the study recommends that the e-recruitment and selection, e-training and development, ecompensation and benefits be availed on eself-service so that employees/managers can access this whenever they need it and wherever they may be.

# Keywords: E-Self Service and organizational outcomes

# **INTRODUCTION**

Trapp (2020) observes that the internet will never go away and that the use of the internet will keep on increasing as companies look for ways to reduce costs. He notes that Human Resource departments are not immune from such trends especially because organizations are increasingly pressing Human Resource to prove their added value to business performance. Technically speaking, e-Human Resource Management is viewed as the technical unlocking of Human Resource Information Systems for all employees of an organization and adoption of technologies such as Enterprise Resource Planning software, web applications, employee and manager self-service portals.

E-HRM practices such as e-recruiting, e-learning, e-performance appraisal can be seen as activities that help the firm meet its objectives through leveraging on the relational aspect of e-HRM. e-HRM can also be distinguished as the utilization of IT for supporting and networking at least two (individual and/or collective) actors in their shared performance of HR tasks (Strohmeier, 2017).

HELB has grown tremendously since its inception in 1995 through an Act of Parliament, HELB Act Cap 213A, Laws of Kenya. Over time, the mandate of the Higher Education Loans Board has been broadened to cover not just the Degree program students in Public Universities as was the case initially, but also encompasses disbursement of loans, scholarship and bursaries to Kenyan students in Institutions within the East African Community, Technical and Vocational Education students, Medical Training College students and select professional courses. HELB has also signed Memoranda of Understanding to manage funds towards pursuit of education for various County Governments, Constituencies, Professional bodies, Kenya Revenue Authority and the Public Service.

In view of this, HELB needs to enhance organizational outcomes through the usage of e-HRM with a view to improving efficiency and effectiveness while also reducing costs in service delivery. This study will focus on the interaction of e-human resource functions (erecruitment and selection, e-compensation, e-training and development and e-self-service with the organizational outcomes, in particular, employee satisfaction, employee engagement and organizational commitment. Until 1980's, the HRM in the form of Personnel Management involved mainly policy formulation processes in the working environment around recruitment, performance appraisal, work discipline, administration of health issues, decision making and implementation.

In Turkey on the other hand, Findikli & Bayarcelik (2015) did a study to explore the outcomes of electronic Human Resource Management (e-HRM) and perspectives for choosing the applications for the system and sought to establish the observed organizational outcomes in leading service companies. Sixteen (16) Human Resource specialists from leading service industry firms participated in the study. The result of the in-depth interviews with the Human Resource specialists showed that time management, easy acquiring and access to personal data, and reduction of administration costs were the primary motivators for electronic human resource applications. e-HRM was seen to reduce organizational costs, improve better and faster communication between manager and employees while also reducing the processing time for e-HR usage in organizations. However, the interviews showed that e-learning/e-training was not very effective for the organizations.

Iwu et al (2016) did a study aimed to examine the effects of the use of electronic human resource management (e-HRM) within human resource management (HRM) functions at universities in order to discover the benefits of using e-HRM system in the human resource management functions of the universities. This was premised on the need to investigate the value adding benefits of e-HRM at universities as well as uncover its salient challenges especially within sub-Saharan African universities. They noted that in comparison to developed economies of the world, IT adoption in sub-Saharan Africa had been a challenge. They noted that some of the factors that were responsible for the challenges included poor need identification, lack of sustainable funding, and insufficient skills. Besides these factors, they also noted the issue of change management and users sticking to what they already know. They noted that though, the above factors seem negative, there was strong evidence that information systems such as e-HRM present benefits to an organization.

A study by Naveed et al (2019) indicates that organizations from developing and developed countries can extract benefits by designing and implementing e-HRM systems in a way that supports their workflow. In Kenya in particular, protocols put in place to curb the spread of

COVID-19 from 2020 saw various organizations embrace the use of technology driven human resource strategies particularly online recruitment, online training and development and a greater uptake of e-government services. This was put in place behind a backdrop of limited physical interactions amongst employees in organizations arising from measures put in place by Government to curb the COVID-19 spread.

#### **Statement of the Problem**

Organizations find themselves in never ending competitions with respect to high customer expectations in quality, performance and low cost (Nivlouei, 2014). Marler and Fisher (2015) argue that HRM investments help in reducing the costs by restructuring the operations of HRM, advancing efficiency, improving quality of HR related services and pursuing transformation of the HRM functions to a strategic business partner. HELB seeks to increase employee satisfaction to 65% in its Strategic Plan 2019-2023. The study seeks to establish the influence e-HRM on this strategic objective bearing in mind Ruel et al (2002) assertion that there has been a changing nature of the employment relationship which has shifted the power balance in the direction of the employees with the employee wanting to steer their own career paths.

The e-HRM for example would enable employees to update their personal details, apply for leave, check growth of pension benefits, view and apply for internal job vacancies, participate in online learning, access and compare pay slips. Studies also identified a major benefit as the provision of HR services to employees in a geographically decentralized company (Hawking et al, 2014). With a number of HELB staff in regions, the study thus sought to assess whether e-HRM would harness this benefit thus enhance employee engagement, employee satisfaction and organizational commitment.

# **Objective of the Study**

To determine the role of e-Self Service on the organizational outcomes in HELB, Kenya.

# LITERATURE REVIEW

#### **Theoretical Framework**

#### **Universalist Theory**

Universalist Theory was developed by Delery and Doty in 1996. Delery observed that the universalistic approach stressed on the perspective and seeks the virtue of "best functions". The application of the universalistic theory is applied in a micro analytical manner and applied with the human resources management functions focusing on the best functions applied and aimed at improving on organizational outcomes and maximization of profits. The scholars have also argued that the e-human resources management functions. Lepak and Snell (2019) posit that it is inappropriate to the nature of human capital investments and advocates

for single e-human resource architecture for the employees in general. This is in place to strengthen the fact that it is not accurate to focus on a single e-human resources functions in decision making rather it is important to focus on all of them at ago and look at the e-human resources bundle that can be handled at ago or in combination.

The work by Huselid (1995) also added to the view of the universalistic approach and he assumed that there are the "best" e-human resources combinations that contribute to increased organizational outcomes regardless of the strategic goals of an organization. He argued that the there are two opposing theoretical foundation which are the contingency and the universalistic. The universalistic perspective believes that there is a relationship between the adoption of a particular set of e-human resources functions and the improvement on the organizational outcomes and profitability (Panayotopoulou et al., 2017). It proposes 'best functions' that when adopted and implemented would contribute positively to financial organizational outcomes regardless of the strategic goals of the organization (Heathfield 2016).

Universalistic approach to HRM research assumes that HRM functions contribute to worker motivation as well as increased efficiency (Ichniowski, et al 2017). While some researchers concurred with these assumptions (Kinsey, 2016), other studies have utilized various assortments of these HRM functions, and there has been little work that provides a clear description as to what constitutes "best functions" system. The e-human resources management functions that aimed at improving the welfare of employees proved to have positive effect on organizational outcomes and profitability since these functions motivate employees and lock them to their jobs (Onyango, 2013). Klaus (2013) noted that better work design and job assignment, employees may display greater commitment, leading to better job organizational outcomes in an organization.

The underlying assumption is that these functions are universally applicable and successful globally. This e-compensation objective is underpinned by this theory as it allows for a choice of the HR functions that work in unison with compensation. For example, leave, pension management, employee self-service interplay with other HR functions. This study will therefore use Universalist theory to assess the role of e-compensation functions on the organizational outcomes in HELB, Kenya.

# **Empirical Literature**

e-Self Service is the process that allows employees of an organization to be self-sufficient when dealing with human resource management matters in the organization. e-Self Service is the main mediator between overall strategic plans of an organization and e-human resource management. This concept has also been adopted through the e-Manager Self-service that reduces reliance of the Manager on HR in making decisions and obtaining feedback. This model aims to eliminate the brick-and-mortar HRM process and replacing them with more agile and experienced processes. Armstrong (2016) asserts that e-Self Service portal is a strategic, integrated and coherent approach of employment, development and wellbeing of the people working in an organization.

A study in the Australian public sector investigating the benefits associated with self-service noted that this solution based on the business to employee (B2E) model enables employees to access the corporate human resource information system 24x7. With the advancements in technology, this concept has been borrowed by organizations in creating a business to customer (B2C) model which has been dubbed the e-self-service. This encompasses employee self-service, manager self-service and customer self-service. The tangible and intangible benefits of employee self service solutions have been well documented (Alexander, 2002; McKenna, 2002; Webster & Buchanan, 2002; Wiscombe, 2001) and include reduced administrative overheads, freeing up HR staff for more strategic activities, improved data integrity, and empowerment of employees.

Self-service applications have evolved to incorporate transactional interactions. As such companies have been transferring more and more of their corporate information resources to web-based applications, making them readily accessible to employees via the corporate intranet. e-Self Service portal strategies are integrated with organization strategy, treating people as assets to invest in to further the interest of the organization, achieving added values from people and enhancing organizational outcomes management thus gaining the commitment to the objectives and values of the organization.

# **RESEARCH METHODOLOGY**

This research study adopted a descriptive survey research design which according to Mugenda (2019) allows a detailed description of all the elements included in the study thus will be best suited to cover all the aspects of the study. The target population comprises of all the 260 employees working at HELB drawn from all the 13 departments both at the Headquarters and the regional Huduma Center offices. The unit of analysis is the departments in HELB, Kenya while unit of observation are the employees working in those departments. A representative sample of 158 respondents was selected using stratified sampling. The researcher used questionnaires as the primary data collection instrument. The questionnaires, both physical and automated, were collected immediately after they were filled. The study collected both qualitative and quantitative data. Qualitative data obtained from open ended questions was analyzed using content analysis and presented in prose form. Quantitative data was analyzed through the use of descriptive statistics such as mean, median, standard deviation, frequency tables and percentages. The analysis was done with the aid of SPSS version 25.0. Data was presented using tables, figures and graphs. The relationship between variables was measured using correlation analysis and the regression analysis.

#### **RESEARCH FINDINGS AND DISCUSSION**

The sample size of the study was 158 respondents who comprised of employees working at HELB drawn from all the 13 departments both at the Headquarters and the regional Huduma Centre offices. The researcher distributed 158 questionnaires. Out of 158 questionnaires which were distributed, 151 were duly filled and returned. The response rate was therefore 95.6%. Kothari (2012) indicates that a response rate of 50% should be considered average, 60% to 70% considered adequate while a response rate of above 70% should be regarded as excellent. This implies that the response rate of 95.6% was adequate for analysis, drawing conclusions and reporting.

On gender distribution, 59.4% of the respondents were male while 40.6% were female. On age distribution, 38% of the respondents indicated 31-40 years as their age bracket, 28% indicated 41-50 years of age, 21% indicated 51-60 years, 11% indicated 26-30 years while 2% indicated less than 25 years as the age bracket. On the period worked at HELB, 38% of the respondents indicated that they had worked in their organization for 6-8 years, 35% of the respondents indicated above 8 years, 15% indicated 4-6 years, 10% indicated 2-4 Years while 2% indicated less than 2 years. On the highest Level of Education, 49% of the respondents indicated Bachelors' degree as their highest level of education, 28% indicated diploma, 21% indicated Masters while 2% of the respondents indicated PhD as their highest level of education.

#### e-Self-service and the Organizational Outcomes

The fourth specific objective of the study was to examine the role of e-self-service on the organizational outcomes in HELB, Kenya. The respondents were requested to indicate their level of agreement on various statements relating to e-self-service and the organizational outcomes in HELB, Kenya. A 5-point Likert scale was used where 1 symbolized strongly disagree, 2 symbolized disagree, 3 symbolized neutral, 4 symbolized agree and 5 symbolized strongly agree. The results were as presented in Table 4.5.

From the results, the respondents agreed that the availability of e-self-service features influence their satisfaction as an employee at HELB to a great extent. This is shown by a mean of 4.031 (std. dv = 0.752). In addition, the participants agreed that there exists an online platform where HELB customers (students, loanees, universities and other stakeholders) are able to access information or provide feedback directly to HELB. This statement is supported by a mean of 3.759 (std. dv = 0.884). Further, the respondents indicated that the availability of e-self-service features influence their commitment to HELB as their employer to a great extent. This is supported by a mean of 3.859 (std. dv = 0.785).

As shown by a mean of 1.735 (std. dv = 0.933), the respondents disagreed that there exists an online platform where they are able to access their personal information, update personal data such as contact details, change of residence, dependent details; update their skill set, view information about their benefits and any other information specific to them. Further, the

respondents disagreed that there exits an online platform where managers are able to view information and generate reports about employees in their departments such as performance trends, outstanding leave, scheduled training for ease of decision making. This is supported by a mean of 1.501 (std. dv = 0.804). The resulting aggregate mean was 2.977 (std. dv = 0.843).

	1	2	3	4	5	Mean	SD
There exists an online platform where HELB customers (students, loanees, universities and so on) are able to access information or provide feedback directly to HELB.	8.3	7.6	13.8	42.8	27.6	3.759	0.884
There exists an online platform where you are able to access your personal information, update personal data such as contact details, change of residence, dependent details; update your skill set, view information about your benefits and any other information specific to you.	10.7	7.2	13.8	38.3	30.0	1.735	0.933
There exits an online platform where managers are able to view information and generate reports about employees in their departments such as employees' performance trends, outstanding leave, scheduled training.	38.6	26.2	17.2	8.3	9.7	1.501	0.804
To what extent does the availability of Self-service features influence your satisfaction as an employee at HELB.	6.9	11.0	21.4	38.6	22.1	4.031	0.752
To what extent does the availability of Self-service features influence your commitment to HELB as your employer	8.3	13.8	17.2	29.0	31.7	3.859	0.785
Aggregate						2.977	0.843

 Table 1: e-Self-service and Organizational Outcomes

The respondents were requested to indicate how else e-self-service influences the organizational outcomes in HELB, Kenya. From the results, the respondents indicated that the concept of e-self-service had been adopted for customers but needed to be enhanced to include the Manager e-self-service that reduces reliance of the manager on HR in making decisions and giving feedback. This model aims to eliminate the brick-and-mortar HRM

process and replacing them with more agile process. In addition, the respondents revealed that e-self-service applications have evolved to incorporate transactional interactions noting that such more and more of their corporate information was being transferred to web-based applications, making them readily accessible to employees via the corporate website as opposed to only the intranet. e-Self-service portal strategies are integrated with organization strategy, treating people as assets to invest in to further the interest of the organization, achieving added values from people and gaining the commitment to the objectives and values of the organization.

#### **Organizational Outcomes**

The respondents were requested to indicate their level of agreement on various statements relating to the organizational outcomes in HELB, Kenya. A 5-point Likert scale was used where 1 symbolized strongly disagree, 2 symbolized disagree, 3 symbolized neutral, 4 symbolized agree and 5 symbolized strongly agree. The results were as presented in Table 4.6.

From the results, the respondents agreed that e-HRM helps employees to focus more on their core duties. This is shown by a mean of 4.177 (std. dv = 0.673). In addition, the participants agreed that e-HRM (online Human Resource Management) would help the organization to provide standard and errorless HR services. This statement is supported by a mean of 3.758 (std. dv = 0.813). As shown by a mean of 3.735 (std. dv = 0.933), the respondents agreed that quality service directly influences motivation of internal customers.

The respondents agreed that the adoption of e-HRM has helped improve employee satisfaction. This is supported by a mean of 3.609 (std. dv = 0.328). In addition, the participants agreed that the organization strives to improve service quality. This statement is supported by a mean of 3.606 (std. dv = 0.962). The resultant aggregate mean was 3.777 (std. dv = 0.729).

	1	2	3	4	5	Mean	SD
The organization strives to	4.1	9.7	29.7	34.5	22.1	3.606	0.962
improve service quality							
Quality service directly influences	10.7	7.2	13.8	38.3	30.0	3.735	0.933
motivation of internal customers							
e-HRM (online Human Resource	5.5	8.3	18.6	40.0	27.6	3.758	0.813
Management) would help the							
organization to provide standard							
and errorless HR services							
e-HRM helps employees to focus	5.5	4.1	20.0	40.0	30.3	4.177	0.673
more on their core duties							
The adoption of e-HRM has	11.7	12.4	13.8	34.5	27.6	3.609	0.328
helped improve employee							
satisfaction							
Aggregate						3.777	0.729

The respondents were further requested to indicate what else would influence organizational outcomes in Higher Education Loans Board. From the results, the respondents revealed that the organization can extract benefits by designing and implementing e-HRM systems in a way that supports their workflow. In addition, the respondents revealed that e-HRM functions are therefore central to the improvement of the quality of services offered by organizations to both its internal customers and the external customers and stakeholders.

# SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

#### **Summary of Findings**

The study found that e-Self Service has a significant effect on the organizational outcomes in HELB, Kenya  $\beta 1 = 0.402$ , p value= 0.000). From the results, the respondents agreed that the availability of e-self-service features influence their satisfaction as an employee at HELB to a great extent. This is shown by a mean of 4.031 (std. dv = 0.752). In addition, the participants agreed that there exists an online platform where HELB customers (students, loanees, universities and so on) are able to access information or provide feedback directly to HELB. This statement is supported by a mean of 3.759 (std. dv = 0.884). Further, the respondents indicated that the availability of e-self-service features influence their commitment to HELB as their employer to a great extent. This is supported by a mean of 3.859 (std. dv = 0.785).

As shown by a mean of 1.735 (std. dv = 0.933), the respondents disagreed that there exists an online platform where they are able to access their personal information, update personal data such as contact details, change of residence, dependent details; update your skill set, view information about their benefits and any other information specific to them. Further, the respondents disagreed that there exits an online platform where managers are able to view information and generate reports about employees in their departments such as employees' performance trends, outstanding leave, scheduled training. This is supported by a mean of 1.501 (std. dv = 0.804).

# Conclusions

The study also concludes that e-Self Service has a significant effect on the organizational outcomes in HELB, Kenya. Findings revealed that employee e-self-service, manager self-service and customer self-service influence organizational outcomes in HELB, Kenya. This implies that a unit improvement in e-Self Service would lead to improvement in organizational outcomes in HELB, Kenya.

# Recommendations

This study therefore recommends continuous review and update of the customer self-service in conjunction with stakeholders. Further, the study suggests that the management at HELB should implement the employee e-self-service and manager e-self-service which are currently not available.

In addition, this study recommends that the e-recruitment and selection, e-training and development, e-compensation and benefits be availed on the employee e-self-service so that employees/managers can access this whenever they need it and wherever they may be.

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