

# Developing E-HRM value creation propositions to improve performance of hospitality and Tourism Organizations

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**Abstract:** E-HRM value creation propositions have been presented by synthesizing contemporary literature to provide insight for improving performance of tourism and hospitality organizations. By drawing on contextual based HR theory, insight into how e-HRM practices provide value creation opportunities when applied to hospitality and tourism sector. Operational, relational and transformational values vary under the condition of vertical fit of environmental complexities, national culture and industry characteristics. By conducting scoping review, this research discloses that e-HRM support hospitality and tourism professional for improving value- outcomes and opens avenues of empirical research in the sector of hospitality professional management..

**Keywords:** E-HRM; Value Creation, Hospitality Performance, Tourism Organization

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## **Introduction:**

Hospitality and tourism (H&T) faces numerous HRM challenges such as high labour cost and turnout that directly influence their performance. Achievement of organizational outcomes is the desire of hospitality organizations that operate in a saturated and highly competitive environment. Value creation always remained as an integral part of the core strategy in hospitality and tourism sector. Hospitality and tourism organizations invest in technology-enabled HRM system to effective utilization of differential

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human capital on one hand and as an environmental performance measure on the other hand for sustainable performance. The integration of HRM and information technology has attracted hospitality and tourism managers in recent years (Said and Umachandran, 2020). Such phenomena is known as e-HRM that has been described as a way to implement HR policies, practices and strategies by using the capability of information technology to improve operational, relational and transformational values (Iqbal et al., 2019; Poba-Nzaou et al., 2020; Tyson and Parry, 2011). Organizations need to focus on competitive and value added strategies in order to improve quality of services and customer satisfaction. If it is true that distinctive and innovative approaches to HRM create added value for the organization then e-HRM seems a good fit to achieve intended targets (Johnson et al., 2020). The scholar (for example Johnson et al., 2020) also acknowledged that e-HRM is a viable strategy to overcome turnover, replacement cost in hospitality and tourism sectors. Paragraph: use this for the first paragraph in a section, or to continue after an extract.

Collaboration is imperative for achievement of hospitality outcomes (Frankowski, 2019). At outset, e-HRM exploits IT in two ways. Technology is crucial for linking organizational actor and provides more interaction and collaboration that is segregated spatially suggesting that technology act as a backbone channel for interaction and integration. Second, technology supports hospitality professional partially or completely to perform HR processes more efficiently and effectively. Organizations invest in e-HRM to develop specific capabilities including relational assets, enhanced managerial competencies, efficient deployment and management of hospitality professional. (Bondarouk et al., 2017; Bissola & Imperatori, 2014; Iqbal et al., 2018; Kearney and Dunne, 2019; Strohmeier, 2007; Wahyudi & Park, 2014).

Hospitality and tourism sector has been known to differ from other sectors in terms of formalized HRM practices and the ways they use ICTs for managing human capital. Redesign opportunity offered by e-HRM creates value for hospitality organizations by efficient management of general talent and effective use of differential talent (Johnson et al., 2020). However, e-HRM research is still in its infancy stage and scholars have an increased call for studies to report about the conceptualization of e-HRM value proposition (Bondarouk et al., 2016; Parry & Tyson, 2011; Bissola & Imperatori, 2013). In particular, there is little research on e-HRM value creation in specific context of hospitality and tourism sector

Market saturation, intense competition and burnout are a key challenge that faces tourism and hospitality organization. Organizational redesign options offered by e-HRM offer various value creation opportunities to improve operational, relational and transformational values for sustained hospitality organization. Therefore, the objective of the study is to develop proposition for e-HRM value creation causal relationship within hospitality and tourism sector and how external fit of culture fit influence such causal relationship. To achieve the objective of the study, the study formulated following key research questions:

- (1) To identify global trends in e-HRM value creation
- (2) To identify and examine the type of value offered by e-HRM to improve business performance of tourism and hospitality organizations
- (3) To what extent external fit of contextual factors of tourism and hospitality sector influence e-HRM value creation causal chain

## Literature Review

Value Creation: Value creation is not a new phenomenon, and has been given various views by scholars regarding its sources and targets (Lepak et al., 2007; Meijerink, Bondarouk and Looise, 2016; Prahalad and Ramaswamy, 2004). Strategic hospitality researchers and entrepreneurs focus on organizational level value creation (Lei et al., 2020). Organizational behavior and some hospitality researchers analyze individual attitude for value creation while the sociological and ethnographic scholars are more interested at society level analysis for value creation (Johnson et al., 2020; Lepak et al., 2007; Kloutsiniotis and Mihail, 2019). Value is referred as user feedback regarding the efficacy of the service. Bowman and Ambrosini (2000) described use value and exchange value as two types of value at the firm level to describe value creation process. The former indicates that to what extent system, services, practices and activities of organization meets the needs of the customer where the latter describes the amount paid by customers to the employer for use value (Bowman and Ambrosini, 2000; Lepak et al., 2007; Ruel and Kaap, 2012). Exchange value can be expressed in term of monetary as well as non-monetary benefits. The creation of added value depends on the relative amount of use and exchange value recognized by the target group. Viewing together, the above definition indicates that value creation depends on the relevant amount of value realized by target user and this value should be translated into user's willingness to pay for value received. Due to rapid changes in technology, the focus of hospitality organizations are shifting towards value based model by using the capabilities of information and communication technologies (Mohammadi et al., 2020). Value creation as experience economy in tourism organization provide value through collaboration and interaction between customer and employee (Binkhorstand & Dekker, 2009; Sørensen and Jensen, 2015). Value is created by adopting new ways, methods, and technologies that benefit target users (Withers et al., 2010). The scholars (e.g Said and Umachandran, 2020; Johanson et al., 2020) has acknowledged that e-HRM provide various value creation opportunities for hospitality and tourism organizations.

### **E-HRM Value Creation:**

Various scholars attempted to describe e-HRM. e-HRM is a multilevel phenomena that has been defined as a way to implement HRM strategies, policies and practices to support organization to achieve business objectives by using the capability of web based technologies (Parry and Tyson, 2011). E-commerce provides referential platform for development of e-HRM that is referred as to conduct the business transaction -human resource in this state of affair- by using web based technologies for operational, administrative and transformational purposes (Bondarouk et al., 2017; Parry and Tyson, 2011; Yang, Xun, & He, 2015). Olivas-lujan et al (2007) defined e-HRM as HR service delivery channel that enables the manger and internal customers to have direct access to HR resources for effective communication, performance management, team and talent management, knowledge management, training and learning. Strohmeier (2007) viewed e-HRM as an IT application to support managers and employees to perform HR activities. In spite of aforementioned view of e-HRM, there is no consensus on the definition of e-HRM. However, Bondarouk and Ruël (2009) provided comprehensive view of e-HRM that describe e-HRM as:

“An umbrella term covering all possible integration mechanisms and contents between HRM and Information Technologies aiming at creating value within and across organizations for targeted employees and management” (Ruel, 2009: pp 507).

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The central feature of this definition is value creation which means that individual, HRM department or whole hospitality sector are willing to exchange monetary and non-monetary return received from e-HRM. e-HRM can be viewed as a distinct scholarly field of examination that emphasize on all kind of HRM content by using the capability of IT for making HRM activities consistent, efficient and effective that offer long term value creation opportunities for tourism (Bondarouk, Parry, & Furtmueller, 2017; Bondarouk and Ruel, 2009; Iqbal et al., 2018). e-HRM influences both micro and macro level consequences (Strohmeier, 2007). Micro level consequences are described as individual level impact while macro level consequences are referred as organizational outcome (Strohmeier, 2009). Based on IT business value research, e-HRM value creation described as organizational impact of e-HRM on intermediate process level (value creating factors) and firm level (organizational outcomes). Thus, e-HRM value creating factors and organizational outcomes are essential component of total e-HRM value creation. Use value of e-HRM contributes to exchange value for organization leading to competitive advantage. Such conceptualization has been backed by Foster (2009) in his doctoral thesis by developing e-HRM value model that suggested that e-HRM value creating factors influence organizational outcomes and ultimately contribute to the competitive advantage of the organization. Based on above conceptualization, it is proposed that use value of e-HRM (operational, relational and transformational values) has a key importance for the success of the organization. E-HRM scholars argued that organizations invest in e-HRM with the hope that it will contribute to performance. Renowned HR consultant, Cedarcrestone, also believed that e-HRM may contribute to sustained performance.

### **Methodology**

Despite the recognition of e-HRM, there is need for holistic evidence for e-HRM value creation propositions for improving performance of tourism and hospitality organizations. The study carried out scoping review, a widely accepted approach, for synthesizing scientific publications in order to provide evidence based insight (Shokri et al., 2021). SR is similar to systematic literature review, however, it is focused on particular use of literature for building-blocks of knowledge in future. Therefore, this study used 3 step approach to develop e-HRM value creation proposition particularly for tourism and hospitality organizations.

### **Review Planning**

The first process in scoping review is review planning that involves in formulating research question that provide rational and logical context in order to operationalized SR. In order to develop e-HRM value creation proposition following research question has been formulated.

Rq1. What are the global trends in e-HRM Value Creation

Rq2. What type of value offered by e-HRM to improve business performance of tourism and hospitality organizations?

Rq3. How external fit of contextual factors of tourism and hospitality sector influence e-HRM value creation causal chain

**Review execution:** The review execution (RE) process consist of scoping, thematic suitability and abstract scanning of the articles (Tranfield et al., 2003, Shokri et al., 2021).

**Scoping:** The first step of RE is scoping that is concerned with the selection of databases and broad identification of research articles. The data was used for this study consist of scholarly paper published in management and hospitality journals in last two decades by using Ebsco, Science direct, Web of science, Emerald, Taylor and Francise and university electronic databases.

**Thematic suitability:** It is the second step of SR that is related with exclusion and inclusion criteria for article screening. E-HRM has emerged as robust research area with the turn of the 21 century. Electronic databases were searched by using keywords such as e-HRM, HR information system, HRM technologies, Smart HRM, tourism technology, hospitality value creation and technology enabled HRM system. The relevance tree was also constructed to provide structure to search relevant publication. The goal of using these strategies is to identify comprehensive, relevant and recent literature. All such articles that are considered relevant were downloaded and as a result we extracted 432 articles in order to develop propositions.

**Abstract scanning and validity of the study:** This phase is employed for final inclusion to ensure that articles scoped based on objective for systematic literature review and to acknowledge that our literature may not drain all the articles published in last two decades related to e-HRM due to key words of the papers, unavailability of the databases, due to human error. We tried to put enough effort to make sure that majority of article on the topic were reviewed and included. The screening of articles was carried to obtain relevant studied to enhance the validity of the study. The sample article was coded by author, years and journal of publication, research methods employed and types of e-HRM value. In order to improve the validity, the Co-authors was randomly checked on data entry in order to ensure accuracy. The discrepancy found was discussed with the principles authors.

## Analysis and Discussion

### *RQ1: What are the global trends in e-HRM Value Creation*

A growing body of literature regarding e-HRM value-creation has conferred several goals of e-HRM such as cost saving, strategic orientation, productivity enhancement, procedural justice, quality HRM system and development of trust based relationship(Bondarouk et al., 2017;Bissola & Imperatori, 2013). Value creation requires that firm develop and adopt new ways and practices for business affairs (Abdul-Halim et al., 2016; Panos & Bellou, 2016). The researchers agreed that e-HRM offered a new way to manage human capital efficiently and effectively (Strohmeier, 2007; Wahyudi & Park, 2014). It changes the structure, HRM practices, and procedures by exploiting information and communication technologies.

Some global e-HRM trends can be seen for value creation. For example, Ruel and Kaap (2012) acknowledged e-HRM value creation in term of efficiency, effectiveness and quality HR services. They also confirmed that different contextual factors have a significant role for HRM value creation. Bondarouk et al. (2017) examined e-HRM studies emerged in last four decades and suggested e-HRM is the area that can transform HRM function into a real business partner. Iqbal et al (2018) found that e-HRM improves labour productivity. Parry (2011) also demonstrated by analyzing HRM data of twelve

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countries that e-HRM enhances value by supporting strategic outcomes for a firm. She also proposed that redesign opportunities such as e-HRM create a workplace environment by involving differential labour in value added activities and thus create real value and contribute to the competitive advantage of the firm. Procedural justice and trust are the key factors for labour productivity and value outcomes. Bissola and Imperatori (2014) revealed by probing 526 employees that e-HRM has a significant effect on trust in HRM department. Panos & Bellou (2016) found that relational, operational, and transformational outcomes are achieved through e-HRM practices. Bissola and Imperatori (2013) claimed that operational, relational and transformational e-HRM practices create value for SME firms by enhancing competence and efficiency of the HRM function as well as improve organizational effectiveness through affective commitment. Lin (2011) also supports the proposition that e-HRM plays a significant role in organization innovation by analyzing Taiwan telecom sector. Marler and Parry (2016) identified a significant relationship between e-HRM and strategic value outcomes by analyzing 5665 firms of 32 countries. Wahyudi & Park (2014) demonstrated positive relationship between e-HRM and quality HR system. Obediat (2016) confirmed e-HRM enhance HRM effectiveness. The recent hospitality literature has witnessed for increase interests of scholars in e-HRM for improving organizational outcomes. Johnson et al. (2017) recognized e-HRM as important tool for hospitality and tourism sector by decreasing turnout, saving recruitment cost and attracting talented employees. There are numerous factors that influence the relationship between e-HRM and organizational outcomes (Bondarouk et al., 2016; Marler & Fisher, 2013;). Panayotopoulou, Galanaki, & Papalexandris (2010) suggested that national culture and values influence adoption of e-HRM by analyzing data of 13 European countries. Peretz and Parry (2016) also viewed that countries specific values influence the relationship between e-HRM and organizational outcomes. The size of the organization, organization demographic and employment structure influence organization adoption of e-HRM (Poba-Nzaou et al., 2020; Strohmeier and Kabst, 2009). Bondarouk et al (2016) noted that contextual factors have a significant impact on the use value of e-HRM. Wiblen (2016) suggested that e-HRM is very useful for talent identification discourses. In last decade a significant increased is observed for e-HRM studies that demonstrate that scholars still believe on e-HRM value creation capability for achieving and improving organizational outcomes.

### E-HRM Value Creation Proposition

*RQ2: What type of value offered by e-HRM to improve business performance?*

E-HRM is multilevel construct that create value at different level (Bondarouk & Ruel, 2013). The work of Lepak and Snell (1998) is considered a key study for conceptualization of e-HRM value creation. They suggested that e-HRM value is categorized as operational, relational and transformational value. The increased adoption of e-HRM was founded on the expectation of positive impact on business performance. Cost minimization, HR service quality, improving organizational trust, continuous improvement, standardization, accuracy, HR service delivery improvement and procedural justice are the potential motivational factors for implanting e-HRM system in the organization to enhance business performance (Marler and Parry, 2015; Wahyudi & Park, 2014). Thus, use value reflects such value creation factors that lead to improvement in organization productivity and performance (exchange value). Intermediate value creating factors and value outcomes determines total e-HRM value creation. Use value such as HR service quality should be evaluated through input-process-output (Uen et al 2012) meaning that HR service quality is a process that connects HRM system with organization performance

outcomes i.e exchange value. Therefore, this study hypothesizes that operational, relational and transformational value of e-HRM has a central importance for e-HRM performance causal chain.

Strohmeier (2007) framework suggested that e-HRM influences micro and macro level consequences. Marler and Fisher (2016) also argued that use value of e-HRM should be converted into use value of the organization or exchange value to achieve superior performance. Marler and Fisher (2016) also suggested that e-HRM value creation should be associated with organization strategic outcome.. Based on IT business value research, e-HRM value creation is described as organizational impact of e-HRM through use value (operational, relational and transformational values) on firm performance. Thus, e-HRM value creating factors and organizational outcomes are essential component of total e-HRM value creation. The above conceptualization has been backed by doctoral thesis (Njoku, 2016) by developing e-HRM value model that suggested that e-HRM value creating factors influence organizational outcomes and ultimately contribute to the competitive advantage of the organization. Use value of e-HRM can be described as operational, reputational or transformational value. Transaction e-HRM is focused on operational efficiency of the HR function. Reputational value of e-HRM is related with the positive image of the organization whereas transformational value is concerned with strategic value of organization. These values are essential to improve business performance.

### **Transactional Value of E-HRM**

Transactional or operational value is primary goals for introducing e-HRM in the organization (Lazazzara et al., 2020; Parry and Tyson, 2011). Transactional HR values refer the extent to which HRM activities are performed in a consistent, accurate and timely manner (Withers et al., 2010; Meijerink et al., 2012). Transactional value of e-HRM is intended to support operational management and reduced cost. Such values are created by satisfying the administrative needs of end users. These values have been examined and empirically validated in e-HRM studies as efficiency gains, cost minimization, time saving, enhancing accuracy and speed of HRM processes, releasing the differential employees from administrative work (Bondarouk et al., 2016, Ruel and Kaap, 2012; Ruel et al., 2004). A higher quality of HR services is the primary value creating factor to achieve the above stated benefits. Many authors acknowledged that e-HRM is an important determinant of service quality. For example, Bondarouk et al. (2017) suggested that e-HRM is the antecedent of HR service quality. Wahyudi & Park (2014) argued that acceptance of e-HRM has a significant impact on HR service quality. Kaap and Ruel (2012) identified the importance of e-HRM for improvement of quality HR services. Iqbal et al. (2018) identified positive association between e-HRM practices and HR service quality. E-HRM is adopted to perform HR task efficiently to minimize operational costs.

*P1: e-HRM has emerged as an organization strategy to improve operational value for the organization*

The value is viewed as hygiene-value because it does not contribute to organizational efficiencies beyond certain level due to its low exchange value, however, creates dissatisfaction in case of poor delivery . Exchange value in transactional environment refers the amount of money, efforts and time paying for HR transaction services. This argument is supported by Gregor et al (2006) by suggesting that transactional value have lower significance for organization than other benefits such as transformational value. Thus reputational and transformational value has more impact on organizational performance as describes below.

### **Reputational Value of E-HRM**

Reputational HR value is concerned with positive image of the organization to deliver the strategy (Withers et al., 2010). Reputational value is conceptualized as the extent to which one is willing to ascribe good attitude and have confidence on other part's actions. It is about whether employees consider the organization as great place to work and trust on HRM procedures and policies. Reputation and trust base employment relationship are imperative for organization to compete in developing economies (Withers et al., 2010 ; Bissola & Imperatori, 2012). A leading economist, John Kay, also supports this assertion by declaring that this value is important for achieving competitive advantages. Reputational values are described as relational outcomes and empirically evaluated in the form of improving communication, cooperation, fairness, procedural justice and organizational trust (Bondarouk et al., 2016; Bondarouk et al., 2016; Bissola & Imperatori, 2014; Wahyudi & Park, 2014; Parry and Tyson, 2011). Such values play key role for increasing cooperative benefits. Value is created through relationship between different organizational actors (Bissola & Imperatori, 2012; Vanhala and Ahteela, 2016). Dyer and Singh (1998) define value creation in terms of relational rent. Reputational HR Value is related with positive image of the organization that is achieved through good employment relationship by creating an environment of justice and trust (Withers et al., 2010; Bissola & Imperatori, 2012). Therefore, organization faces an increasing need to focus on value creating practices to foster trust (Vanhala and Ahteela, 2016). e-HRM is not just "degitalization" of HRM system but emerged as new HRM system that facilitate and underpin relationship between internal customers and HRM department (Bissola & Imperatori, 2012). Studies on Social exchange theory indicated that employee attitude is influenced by e-HRM practices and they reciprocate accordingly. e-HRM practices as key predictor for development of organizational trust to improve reputational value.

*P2: e-HRM emerges as an important predictor for improving reputational value.*

### **Transformational Value of E-HRM**

Besides relational benefits, transformational values were also recognized in the literature. Organization has realized the transformational benefits of e-HRM (Eckhardt et al., 2014). The goal of transformational value of e-HRM is to transform HR function into strategic business partner. Transformational value is different from other benefits (Gregor et al., 2006). Fox and Hietanen (2007) describe that transformation value drives from IT's abilities to support and facilitate organizational processes for strategic organizational outcomes. Transformational value is the main driver for organization to adopt e-HRM. Such focusing on involvement of HR staff on strategic and value added activities to deliver business strategy (L'Écuyer & Louis Raymond, 2020; Parry and Tyson, 2011). Researcher such as Ruel et al. (2004); Bondarouk & Ruël, (2010); Wahyudi & Park, (2014) and Marler and Parry (2015) argued that e-HRM can transform the HRM function from administrative expert to strategic partner.. Regarding the importance of knowledge for a firm, many organization used e-HRM for knowledge access, creation and sharing to improve employee performance (Bondarouk et al., 2016; Bissola & Imperatori, 2012). Despite of different view about e-HRM value propositions, most of the researchers agreed that e-HRM is important for prosperity and success of a firm in today fast pace and hyper competition environment.

*P3: e-HRM emerge as an important predictor for improving transformational value.*

## Contextual View Of E-HRM

### *RQ3. How external fit of contextual factors of tourism and hospitality sector influence e-HRM value creation causal chain*

Contextually-based HR Theory argues that context influences the adoption of Human resource management practices across the firm in certain population. In contrast to universalistic perspective, contingency perspective suggest that e-HRM has not always similar impact on operational, transformational and reputational value of HR. Instead, implementation of e-HRM always depends on the contextual factors such as individual characteristics, organizational characteristics, environmental complexity and national culture. Context focuses on operationalization and value realization (Troshani et al., 2011). E-HRM researchers suggested the contingency perspective to explain e-HRM value creation (Ruel and Kaap, 2012). Such perspective demonstrates that e-HRM value creation can not be treated in isolation rather suggest to address vertical fit of e-HRM with contextual variables. In line with existing literature this study hypothesizes the national culture and environmental complexities has a moderating effect on e-HRM value creation causal chain. The value creation capability of e-HRM depends on the context in which it is used. This call for what has been expressed as internal and external fit (Boxall and Purcell, 2011). External fit suggest that the choice of e-HRM practices for operational, relational and transformational dimension of value creation is determined through environmental complexity. Environmental complexity is described as breadth and heterogeneity of industry national factors that increase information processing demands (Baik et al., 2019). This study argue that external fit such as environmental complexities has a significant impact on organizational outcomes. Environmental context refers the arena where firms carried out their business, and comprises factors such as “industry characteristics”, “governmental regulation” and “supporting infrastructure” (Oliveira and Martins, 2010; Troshani et al., 2011). Such factor may encourage or inhibits to use e-HRM practices for operational, relational and transformation values. Infrastructure and technological support is imperative for the success of such initiatives (Chau and Hui, 2001). Government’s initiatives can play central role for the success of such innovation. The success of e-HRM is based on strategic partner role of HR function is dependent on facilitation of environment goals along with operational and transformational values. once the culture and HRM practices are in place, added value for organization may be created (Sivatte et al., 2015). National culture has a key role for achieving operational, relational and transformational outcomes. A favorable national and industry culture are central for superior organizational performance. Therefore, combination of e-HRM practices and environmental complexities influences value creation. The study argued that e-HRM practices would be useless if industry and national culture does not support them. The misalignment between external fit and e-HRM practices may lead internal customers (employees) to behave in a way that weaken organizational performance.

*P4: The external fit of e-HRM influences e-HRM value creation causal chain*

## CONCLUSION

The trisection of HR value (i.e operational, relational and transformational values) has served as the basis for improving organizational performance. Quality management practices have a significant and positive effect on improvement of organizational outcomes. Sánchez-Ollero, García-Poz & Marchante-

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Lara (2014) also highlighted the role of quality standards for enhancement of labour productivity as organizational outcomes. Aryee et al (2016) suggested that HR service quality should influence firm level outcomes. Standardization of HR process has a significant impact on organizational performance. Reputational values are recognized as faith that both actors act to obtain mutual benefits. Reputational values, such as organizational trust, improve workplace performance. Trust influence individual perception and behavior that bring them in-line with strategic firm's objectives (Bachmann and Zaheer, 2013). Organizational Trust is consider as an important value creating factor in e-HRM value creation causal relationship. Relational rationality, such as fairness, legitimacy and procedural justice, implies treating employees well. Lack of trust may have negative impact on individual and organizational outcomes. Paauwe, (2009) suggested that it may be directed towards lower absenteeism, increasing satisfaction and greater efforts leading to improvement in business performance. In this context, one can argue that reputational value as another key value creation factor for linking e-HRM with organizational performance. Transformational values have direct impact on organization strategic goals. Transformational values assist and underpin to achieve strategic organizational outcomes (Strohmeier and Kabst, 2014). Transformational outcomes are also noted in the form HR downward integration and knowledge management. HR downward integration refers that HRM staff should be involved in strategic and value added activities by devolving HR task to line/branch management (Zhu et al., 2008). In this context e-HRM can be viewed as a strategic tool to involve HR staff of hospitality organizations in organizational change and transformational activities.

e-HRM value creation is a key research area for HRM scholars. Literature suggested that e-HRM provides various value creation opportunities for organization leading to sustainable competitive advantage. This study presents contextual view of e-HRM. e-HRM has not a similar impact on organizational outcomes. It depends on context in which it is used. e-HRM cannot be applied in isolation. This study proposes that vertical fit of contextual factors such as national culture and environment complexities is essential for e-HRM value creation. It suggested that organization need to consider "industry characteristics", "governmental regulation", "supporting infrastructure" and "country culture" prior to implement e-HRM practices for achieving operational relational and transformational outcomes.

### THEORETICAL CONTRIBUTION

The research contributes to the literature by developing e-HRM proposition based on HR contextual theory to explain what type of values offered by e-HRM for improving service performance. Most of the previous studies have explored e-HRM value creation proposition from universalistic perspective and few studies have focused on contingency perspective. This study attempts to address this gap in literature by altering the frame of reference and contributing to e-HRM literature specific to hospitality that vertical fit of environmental complexities, national culture and hospitality and tourism characteristics are important contingent factors for operational, relational and transformational value.

The hospitality researcher (e.g Johnson et al., 2020) suggested that hospitality and tourism organization should make judgment about the type of e-HRM system and its value creating capabilities before implanting in the organization. Existing e-HRM models are narrow to examine the relationship between e-HRM and organizational performance that ignore vertical fit of tourism sector's characteristics and environmental complexities. This study provides tantalizing evidence for e-HRM value creation in

context of hospitality sector. There are very few studies that explored e-HRM value creation propositions from contextual perspective. This study contributes to the contextualized based HR theory by focusing on contextual view of e-HRM. It stresses on importance of internal and external fit for e-HRM value creation. This study departs from existing e-HRM studies by demonstrating that environmental complexities, national and industry characteristics influence e-HRM operational, reputational and transformational values.

## IMPLICATION FOR PRACTITIONER

The study offers value insights to hospitality and tourism (H & T) practitioner by providing theoretically compelling path through which e-HRM delivers value to H & T organization. It also explains how hospitality and tourism industry, country characteristics and environmental complexities influence e-HRM casual relationship. Without clear understanding about e-HRM value proposition, practitioners may incorrectly estimate the benefits of e-HRM. This study provides a useful framework to practitioner and policy maker to evaluate e-HRM value creation for achieving competitive advantage. It is the differential labour that creates value for hospitality organization. This research recommends e-HRM as key strategy for hospitality organization to overcome the shortage of talented workforce by involving s only in value added processes. Therefore, this research also assists organization to design e-HRM system that supports their workflow.

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