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# E-HRM USE ON ORGANIZATIONAL PERFORMANCE: A MEDIATION ANALYSIS

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#### **ABSTRACT**

People are the most important resource in an organization, agency or company without the human aspect it is difficult for the organization to carry out its mission and objectives. It can also be said that the human factor does not have the karma of the actors or objects that an organization wants to target. The aim of this study was to analyze the influence of e-HRM on performance mediated organizational by performance and job satisfaction in PT. Fida Sukses Prosper directly or indirectly. PT. Fida Sukses Makmur is a company engaged in the trade of agricultural products such as garlic, onions, beans and other agricultural products. From the success already achieved, it is not independent of the use of e-HRM that can affect the performance of the organization The sampling technique in this research uses non-probability sampling with the research sample 44 respondents from the results of the dissemination of questionnaires. This research is included in quantitative research using the tests carried out in this research, namely Partial Least Square, outer model test, inner model test and hypothesis testing with SmartPLS 3. The results of this study prove that E-HRM has a positive and significant influence on organizational performance by mediating employee performance and job satisfaction.

## INTRODUCTION

Technological developments and consumer behavior have created intense competition in the business world. This requires companies to look for new paths and design new strategies to adapt their business processes to this increasingly stringent environment. In a business environment, a company cannot run its business without collaborating with other companies. When a company tries to manage its own business operations, it will experience difficulty in managing its resources, leading to a lack of focus on its business operations and difficulty in achieving expectations for improving operational efficiency.

Human resources (HR) are a very important factor in a business or organization. Human resources are the main factor that will mobilize various other types of resources in a company so that they can operate effectively and efficiently. Therefore, there is a need for an HR manager who can operate professionally by using various types of HR management techniques to support employee performance (Hasibuan, 2019). Current technological developments bring new changes towards the era of information technology. With the rapid advancement of technology, electronic human resource management (E-HRM) has emerged as a transformational approach, revolutionizing resource management practices.

E-HRM is a web-based tool that can automatically support every HR process. E-HRM is a set of innovative methods that function to improve a series of traditional systems in an organization with the aim of improving human resource performance and subsequently providing a competitive advantage to the organization (Gigauri, 2022). E-HRM can also be understood as administrative support for human resources functions in an organization using

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information and communication technology. E-HRM refers to the integration of information technology (IT) into various human resource management (HR) functions and processes, including recruitment and selection, training and development, performance management and employee engagement (Nyathi & Kekwaletswe, 2022). By leveraging technology, E-HRM aims to improve the accuracy, accessibility and timeliness of human resources (HR) data, simplify HR processes and improve the overall HR experience for employees and managers.

Organizational performance can be evaluated through various metrics such as employee engagement, customer satisfaction, productivity, quality of operations, profit retention, profit handling, and business development (Hussain et al., 2023). Meanwhile, financial aspects are often the focus of business owners and finance staff when evaluating organizational performance by calculating the financial benefits of project activities. Non-financial factors such as job satisfaction and employee performance also play an important role in achieving long-term engagement results for the company. Being aware of employee attitudes is critical to supporting organizational profitability, because high levels of engagement motivate employees to dedicate themselves to the organization, thereby providing a significant competitive advantage. Additionally, highly engaged employees tend to have higher retention rates, lower absenteeism and turnover rates. In addition, the successful implementation of E-HRM is closely correlated with increased operational performance in the organization (Nyathi & Kekwaletswe, 2022). So, it can be said that company managers' efforts to motivate their employees to improve their performance do not only depend on the importance of bonuses or salaries given, but must first include several factors that can influence employee performance in a company. Several other factors that can influence improving organizational performance are employee performance and job satisfaction.

Employee performance is the level of work results of an employee, in this case the achievement of the work requirements that have been set for him. Performance is an important thing that every company must pay attention to because employee performance in various aspects will have a direct impact on the company's overall performance (Simamora, 2019). Kasmir (2020) suggests several factors that influence employee performance, namely abilities and skills, job design, personality, knowledge, leadership style, organizational culture, job satisfaction, work environment, work loyalty and commitment and work discipline. Silaen in his book (Silaen, 2021) concludes that performance is the success of employees if they successfully carry out their duties in accordance with the responsibilities given both in terms of quality and quantity.

Job satisfaction is the feeling that every employee as a worker has regarding the work they do, whether they are happy or unhappy because of the employee's relationship with their work environment or for cognitive reasons regarding a person's mental attitude (Azhari et al., 2021). Sutrisno (2019) believes that job satisfaction is an emotional state felt by workers, related to pleasant or unpleasant feelings when seeing the work they do. Several factors that influence job satisfaction are the severity of the work, whether the work is monotonous or not, the work environment, the leader's leadership attitude, and employee bonuses or compensation. Setiono (Setiono, 2020) further explains job satisfaction as an employee's expression of pleasant or unpleasant emotions related to their situation or work.

This research was conducted at PT. Fida Sukses Makmur, a company engaged in trading agricultural products such as garlic, shallots, nuts and other agricultural products. PT. Fida Sukses Makmur requires a certain number of workers to carry out the company's business processes. Therefore, the recruitment process is very important to get employees who meet the company's expectations. Currently the recruitment process is ongoing starting from the job vacancy information process, selecting candidates and training new workers. The final problem often faced by human resource managers in companies with existing systems is not having time to prepare reports when processing and entering work data, for example application data, employee data, personal biological data, types of work that are computerized, but limited. on using Microsoft Excel. To overcome current deficiencies, PT. Fida Sukses Makmur implements and implements an E-HRM system that can make it easier to manage employee data into information, improve the strategic orientation of HRM, reduce costs, profit efficiency, and facilities for management and employees. At PT. Fida Sukses Makmur itself, there are still several obstacles in implementing electronic human resource management. Based on the results of an interview with one of the employees of PT. Fida Sukses Makmur stated on October 23 that there were several obstacles experienced, such as the system used sometimes having errors, staff still not being fluent, and not understanding how to use e-HRM.

Although several studies have provided strong evidence that e-HRM practices can improve organizational performance (Nyathi & Kekwaletswe, 2022; Haziazi, 2020; Al-Alawi et al., 2022), other studies report conflicting or inconclusive results (Marler & Fisher, 2013; Muller et al., 2018). These differences in results highlight the need for additional research to fully understand the relationship between e-HRM and organizational performance. Employee engagement, defined as the emotional commitment and active participation of employees in their work and in the organization, has become an important factor influencing the success of organizational work. Engaged employees are more likely to demonstrate higher levels of motivation, productivity, job satisfaction, organizational commitment, and discretionary effort. Mediation is used by companies to get good solutions for employees in dealing with organizational performance. In this case, researchers examined the use of E-HRM mediated by employee performance to find out this problem.

Based on the background of the problem that has been explained, the title of this research is "The influence of

E-HRM use on Organizational Performance which is mediated by Employee performance and Job satisfaction at PT. FIDA SUSKES MAKMUR".

#### LITERATURE REVIEW

#### Electronic E-Human Resources Management (EHRM)

Human resources play a very important role in a business, this happens because there needs to be a way or system to organize and manage these human resources, so that they can work well to achieve company goals. Therefore, the company's human resources department must find the right way to make changes that can improve the quality of existing human resources, such as the use of new technology (Kasmir, 2020). One application of new technology to increase human resource capacity in an organization is electronic human resource management. E-HRM is a web-based tool that can automatically support every HR process. E-HRM is a set of innovative methods that function to improve a series of traditional systems in an organization with the aim of improving human resource performance and subsequently provide a competitive advantage to the organization (Gigauri, 2022). E-HRM can also be understood as administrative support for human resource functions in an organization using information and communication technology (Yusliza, 2020).

There are several types of E-HRM (Tavakoli et al., 2019), namely as follows:

- 1. E-HRM operations, where the focus is on basic HRM activities in terms of administrative functions and also information related to salaries and employee data.
- 2. Relational E-HRM, where the focus is on HRM activities to support the progress of HRM activities consisting of recruitment, selection of new personnel, training, assessment and rewards.
- 3. Transformational E-HRM, where the focus is on activities related to the change process and organizational strategy.

Adopting E-HRM can have a positive impact on an organization. The presence of E-HRM can help employees easily access information related to their duties and obligations as well as access information related to personal data, salary, performance management, training, recruitment, etc. (Tabiu and Nura, 2021). E-HRM can also enhance and enhance the quality of services to the public and help organizations build a more competent and engaged workforce.

There are several indicators of E-HRM Use (Tavakoli et al., 2019), namely as follows:

- 1. E-Recruitment, consists of using websites for recruitment and using interactive tools to process requests from applicants.
- 2. E-Selection, consists of responsibility and transparency of the selection process via electronic means and ease of use.
- 3. E-Education, consisting of the use of multimedia computer facilities and funding employee training education.
- 4. E-Evaluation, consisting of an assessment process carried out using the web.
- 5. E-Reward System, consists of a digital platform used to provide rewards or incentives to employees or members of an organization via electronic or online media.

Thus, it can be said that electronic human resource management is a tool based on information and communication technology with the aim of implementing human resource strategies in an organization.

#### Organizational Performance

Organizational performance covers almost all the goals of competitiveness and excellence of every production carried out by the company and is related to cost, flexibility, speed, reliability and quality (Karim, 2020). Apart from that, one of the most important and fundamental characteristics of an organization is superior performance (Bazrkat et al., 2022). In organizational development, organizational performance has become a very important element for developing the strategy of an organization. This happens because organizations are formed so that they can run, develop and then be able to provide real results and remain viable in carrying out their activities. Of course, this can be done with the help of everyone in the organization. Organizational performance is the result of work or success achieved by individuals or members of an organization to effectively improve the organization's capabilities and needs to achieve organizational goals (Irawan, 2021).

There are several factors that influence organizational performance (Bazrkat et al., 2022), namely as follows:

- 1. Input aspects (resources)
  - This aspect consists of several parts, namely supervision of human resources, related to budget, facilities and infrastructure, information and also organizational culture in the company.
- 2. Aspects of the management process
  - This aspect consists of the processes of planning, organizing, implementing, budgeting, monitoring and evaluating.

These two aspects have the same potential to emerge as a dominant factor influencing organizational performance, both positively and negatively.

There are several indicators of organizational performance (Sinambela, 2020), namely as follows:

1. Productivity,

namely the relationship between input (labor, materials, capital) and output (unit work results and work products and services).

2. Responsiveness,

namely the organization's ability to carry out its mission and vision, especially in meeting needs.

3. Responsibility,

namely organizations that prioritize ethical values or equality and fairness in providing services to the community and others.

4. Accountability

Refers to the extent to which public organizations' policies and activities comply with applicable regulations.

Thus, it can be said that organizational performance is defined as an umbrella which consists of all concepts related to the success and activities of the entire organization.

## Employee Performance

Employee performance is the result of an employee's work, both quality and quantity, in carrying out their responsible functions according to the functions given to them by the company (Kasmir, 2020). Apart from that, employee performance is a measuring tool that can be used by company management to improve decision making and accountability. The purpose of measuring employee performance is to evaluate the extent to which goals and objectives are achieved (Azhari et al., 2021). This is in line with research conducted by (Chairunissa, 2021) that employee performance is the result of the employee's work after completing the tasks assigned to him to achieve the agreed work targets. Employee performance is the ability used to fulfill job requirements, namely when the work objectives that have been determined are able to be completed according to the agreed duration or do not exceed the specified time so that the objectives will be in line with the morals or ethics of the company (Adhari, 2021).

Wibowo (2021) suggests that there are several benefits from employee performance, namely as follows:

1. Performance benefits for the company

Aligning the goals of a company with the goals of workers, improving employee performance, increasing commitment, supporting values, motivating workers, increasing basic skills and supporting cultural change programs.

2. Performance benefits for managers

Classification of work and behavioral efforts, offering an opportunity to use quality time, improving performance in teams and individuals, seeking non-financial rewards, establishing a basis for helping workers who have low performance and supporting leadership.

3. Performance benefits for workers

Clarify the role you have, encourage and support you to always perform well, assist in developing your abilities and performance, have opportunities to use your time with quality, basic objectivity and also have honesty that can support your performance.

Meanwhile, there are several benefits of employee performance according to Rivai and Sagala (2019), namely as follows:

- 1. Improvements in employee performance
- 2. Decisions on placement and will assist in promotions, promotions, promotions or demotions
- 3. As a material for improving employee performance
- 4. As training material and also employee development
- 5. As good feedback from human resources

There are two factors that can influence employee performance (Rivai and Sagala, 2019), namely as follows:

- 1. Ability, where in the world of work, to obtain good performance workers must have the abilities needed for the job.
- 2. Motivation, in this case each employee has his or her own motivation related to how to work to achieve goals.

There are several indicators in measuring employee performance (Mangkunegara, 2020), namely as follows:

1. Quality of work is a condition that can then change from a person to the results of the work provided, in

this case in the form of accuracy, skill, thoroughness and also cleanliness.

- 2. Quantity of work, in this case the ability of employees to complete each job given by a company.
- 3. Reliability is an assessment of the performance results that are available so that they can carry out the activities desired by the company.
- 4. Attitude, in this case the attitude of a person towards the company and the company towards a person is the same.

Thus, it can be said that employee performance is the result of employee work resulting from work behavior achieved when completing the tasks and responsibilities given by the company within a certain period of time.

#### Job Satisfaction

Job Satisfaction is the feeling that every employee as a worker has regarding the work they do, whether they are happy or unhappy because of the employee's relationship with their work environment or because of the perception of a person's mental attitude (Priansa, 2020). Several factors that influence job satisfaction are the severity of the work, whether the work is monotonous or not, the work environment, the leader's leadership attitude, and employee bonuses or compensation (Ansori, 2021). Job satisfaction is a pleasant emotional attitude and workers will enjoy their work. This attitude will be reflected in a person's work ethic, discipline and work performance (Hasibuan, 2020).

Mangkunegara (2019) suggests that there are several benefits of job satisfaction, namely:

- 1. Job satisfaction will describe the level of job satisfaction of company employees.
- 2. Communication is job satisfaction which is very beneficial in communicating the desires of employees with the thoughts of company leaders.
- 3. Improving work attitudes is a benefit of job satisfaction to increase employee work attitudes.
- 4. The need for training, job satisfaction also greatly influences the determination of specific training needs.

There are several factors that influence job satisfaction (Sutrisno, 2019), namely as follows:

- 1. Individual factors in this case consist of a person's age, health and expectations
- 2. Social factors, which in this case consist of family relationships, views held by workers, freedom in politics and community relations.
- 3. The main factors in work which in this case consist of wages, supervision, peace at work, conditions at work, opportunities to advance and take advantage of every available opportunity.
  - Several indicators of job satisfaction (Mangkunegara, 2019) are as follows:
- 1. Financial decisions, in this case there is a relationship with a guarantee consisting of salary, various types of allowances, social security, promotions and also the facilities provided
- 2. Physical satisfaction, in this case, is satisfaction consisting of working time arrangements, room temperature conditions, work equipment, age and health conditions of employees.
- 3. Social satisfaction, in this case consists of the type of work and also the environment around the company
- 4. Psychological satisfaction, in this case consists of job satisfaction with each job performed.

Thus, it can be said that job satisfaction is an emotional state felt by workers related to the pleasant or unpleasant state of workers when they see the work they do.

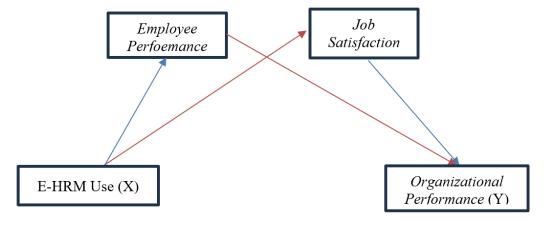


Figure 1. Research Model

Source: Data processed by author (2023)

Based on the framework and research model, the hypothesis in this study can be formulated as follows:

- H1 : E-HRM use has a significant effect on Organizational Performance
- H2 : Employee performance mediates the influence of E-HRM use on Organizational Performance.
- H3 : Job satisfaction mediates the influence of E-HRM use on Organizational Performance.
- H4 : Employer performance and job satisfaction mediate the influence of E-HRM use on Organizational Performance

#### RESEARCH AND METHODOLOGY

The researcher determined that the research participants were PT. Fida Sukses Makmur staff who participated as observers or resource persons in the research. The objects of this research include e-HRM use (X1), employer performance (Z1), job satisfaction (Z2), and organizational performance (Y). Among all the variables related to the use of E-HRM, job satisfaction and employee performance have an influence on organizational performance.

The type of research used in this research is explanatory research. The purpose of this research is to determine the impact of using E-HRM on organizational performance as well as variables and hypothesis testing. Researchers also use quantitative methods related to the title of the research being studied, which then includes data collection, hypotheses, data analysis, and accurate conclusions about the data, so that in its formation it uses measurements, calculations, formulas and numerical data. The author explains four variables, namely e-HRM use (X1), employer performance (Z1), job satisfaction (Z2), and organizational performance (Y). Therefore, researchers want to see the effect of e-HRM use, job satisfaction, employee performance on organizational performance at PT. Fida Sukses Makmur.

The author used many data collection methods to obtain data and information for the purposes of this research, including:

#### 1. Observation

Observation is when a researcher makes direct observations in an area of interest to the researcher. According to Anshori and Iswati (2019), researchers' observations are assisted by documentation of events observed in the field. Non-participating researcher observations that do not involve the researcher as a participant or group being studied in practice. In this research, researchers will make observations regarding e-HRM use, employee performance, Job Satisfaction, and organizational performance at PT. Fida Sukses Makmur.

## 2. Questionnaire or questionnaire

The data that will be used in this research is data obtained through the results of distributing questionnaires. A questionnaire is a mechanism for collecting effective data to find out how variables are measured. The data collection that will be carried out in this research is a process that is used by distributing questionnaires directly to respondents related to the aims of the research (Sugiyono, 2019). The distribution of questionnaires carried out contains a list that is related to the variables studied. In carrying out data collection in this research, questionnaires were distributed via Google Form to employees who work at PT. Fida Sukses Makmur in order to obtain accurate data. The data obtained in this distribution is primary data. where the data was obtained directly from employees of PT. Fida Sukses Makmur.

Each statement from the variables studied will be given a score using a Likert scale. The purpose of the Likert scale used is to measure the opinion of a person or group of people regarding a social phenomenon. In each statement, it must also be supported by a statement to choose from. The alternative answers to each statement will be given a score of 1-5 with the following categories:

Table 1. Likers Scale Category

Kategori	Nilai
Sangat Setuju (SS)	5
Setuju (S)	4
Kurang Setuju (KS)	3
Tidak Setuju (TS)	2
Sangat Tidak Setuju (STS)	1

**Source:** Authors (2023)

In this study the population determined was employees of PT. Fida Sukses Makmur, sampling technique applied was non-probability sampling because this research was aimed at the intended respondents, namely employees who work actively at PT. Fida Sukses Makmur. From the latest data for October 2023 obtained by researchers from interviews, it is known that the total employee population at PT. Fida Sukses Makmur is 50 employees, because the population in this study is known, so to determine the research sample the Slovin formula was used with the following calculation:

$$n = \frac{50}{1+50 \times 0.05e2}$$

$$n = \frac{50}{1+50 \times 0.05e2}$$

$$n = \frac{50}{1+50 \times 0.0025}$$

$$n = \frac{50}{1+0.125}$$

$$n = \frac{50}{1,125}$$

$$n = 44,444 = 44 \ karvawan$$

In this study, the researcher took 44 research samples because the population of the company was only 50 people and the researcher used the Slovin formula above to get 44 research samples. The analytical method used is Partial Least Squares (PLS). PLS is considered a powerful analytical method, often called a soft model, because it does not assume that the data must use a certain scale size where the sample data used is also relatively small, namely 30 to 50 units. or approximately more than 100 units. The Outer Model is the first testing step applied in model evaluation, where the PLS-SEM step called the structural validity test is divided into convergent validity and discriminant validity (Hamid and Anwar, 2019). Convergent validity is represented by the factor loading value, where for exploratory research, an indicator will be declared valid if it has an external loading value of 0.6 to 0.7 and an AVE test value > 0.5, Discriminant Validity is the second step in evaluating a measurement model. This test can be completed by testing cross-loading and latent variables where it is recommended that the results of each index must be higher than the values of other variables (Narimawati et al., 2020). if the reliability value is greater than 0.70. Apart from that, at the stage of using the standard Cronbach's alpha value, which is usually called the alpha coefficient, a variable will be declared reliable if it produces a value equal to or greater than 0.70.

Inner Model or Evaluation Structural Model Internal model or assessment Structural model is a model that can provide analysis of relationships between variables that cannot be measured and is based on substantive theory. In addition, the model. This means that if an R-squared value of 0.75 indicates a strong model influence, then an i value of 0.50 indicates that the model significance is moderate, while a value of 0.25 indicates that the model is weak.

This hypothesis testing uses the help of the SmartPLS 3.0 program, currently this method is considered powerful enough to carry out analysis without requiring a large number of hypotheses. Then, this method does not require large numbers of samples with scales which can be interval, ordinal, ratio and nominal. The steps for this method are to carry out a t test and test the P value to see the significance of the influence of each independent variable on the independent variable by bootstrapping. The job satisfaction indicators are financial decisions, physical satisfaction, social satisfaction, psychological satisfaction. Then employee performance indicators include work quality, work quantity, reliability and attitude. Next, the E-HRM indicators include E-Recruitment, E-Selection, E-Education, and E-Evaluation. Next, the last indicator is Organizational Performance including Productivity, Responsiveness, Responsibility and Accountability. To fulfill the conditions for accepting a hypothesis, it must meet the significance standard of 5%, meaning that the P value that the data must have is greater than <0.05 of that number, so that the relationship between variables is not significant and the hypothesis is rejected.

#### RESULT AND DISCUSSION

#### **Data Analysis**

The data analysis section will present the results of the analysis of data that has been processed using the SmartPLS 3 application, where this data comes from 40 PT employees. Fida Sukses Makmur so that you can enjoy each indicator of the variables well.

#### **Convergent validity test**

This convergent validity test refers to the outer loading value to be able to assess the validity of the indicator, where the indicator will be said to be valid/legitimate if it has an outer loading value above 0.7 (Hamid & Anwar, 2019).

**Table 2.** Convergent validity test

Variable		Indicator	Outer Loading Value
E-HRM USE ( EHU )	EHU 1	0,8	314
	EHU 2	0,7	774
	EHU 3	0,8	344
	EHU 4	0,8	363
	EHU 5	0,7	755
Organizational Performance (OF	) OP 1	0,7	751

	OP 2	0,807
	OP 3	0,835
	OP 4	0,801
	OP 5	0,822
	OP 6	0,849
Employee Performance(EP)	EP 1	0,854
	EP 2	0,808
	EP 3	0,757
	EP 4	0,835
Job Satisfaction (JS)	JS 1	0,777
	JS 2	0,786
	JS 3	0,893
	JS 4	0,811

**Sources:** Data processed by author (2023)

An indicator can be said to be valid / valid if it has an outer loading value above 0.7 can be seen in the outer loading results all indicators listed produce values above 0.7, namely EHU1, EHU2, EHU3, EHU4, EHU5, OP1, OP2, OP3, OP4, OP5, OP6, EP1, EP2, EP3, EP 4, JS1, JS2, JS3, and JS4 indicators where it can be concluded that these 19 indicators can be used in research and are valid in accordance with existing requirements.

## Average variance extracted (AVE) test

Another way that can be used to test convergent validity is through the results of the Average Variance Extracted (AVE) test which requires that if the AVE value is more than 0.5 then the data can be declared valid (Narimawati et al., 2020). In the SmartPLS 3 application, the AVE test results can be seen in the construct reliability and validity menu in the Average Variance Extracted (AVE) section, where the data is presented variable.

**Table 3.** AVE test

Variable	AVE
E-HRM Use	0,658
Organizational Performance	0,659
Employee Performance	0,663
Job Satisfaction	0.670

**Sources:** Data processed by author (2023)

From the data that has been processed with the help of the SmartPLS 3 application, it is shown that the Average Variance Extracted (AVE) value is above 0.5, where the E-hrm variable produced is 0.658, organizational performance produces a value of 0.659, employee performance has a value of 0.663 and the job satisfaction variable shows a value of 0.670. From these results it can be concluded that each variable and indicator is valid/legitimately used for research.

#### Discriminant validity test

The discriminant validity test can be seen in the discriminant validity section of the cross loadings section of SmartPLS 3. To assume that the indicators have met the requirements, the cross loading value of one indicator must be greater than the other indicators (Narimawati et al., 2020). Below, the researcher describes the cross loading value of valid data in table:

**Table 4. Discriminant validity test** 

	E-HRM Use	Organizational performance	Employee performance	Job Satisfaction
EHU1	0,814	0,512	0,582	0,466
EHU2	0,774	0,345	0,436	0,439
EHU3	0,844	0,517	0,639	0,363
EHU4	0,863	0,602	0,664	0,532
EHU5	0,755	0,652	0,530	0,474
OP1	0,600	0,751	0,443	0,341
OP2	0,504	0,807	0,393	0,566
OP3	0,473	0,835	0,493	0,623
OP4	0,582	0,801	0,638	0,604

OP5	0,566	0,822	0,609	0,544
OP6	0,504	0,849	0,521	0,576
EP1	0,659	0,576	0,854	0,702
EP2	0,606	0,430	0,808	0,517
EP3	0,453	0,472	0,757	0,576
EP4	0,585	0,592	0,835	0,615
JS1	0,428	0,638	0,523	0,777
JS2	0,417	0,633	0,458	0,786
JS3	0,525	0,481	0,762	0,893
JS4	0,471	0,469	0,679	0,811

**Sources:** Authors (2023)

Based on the table presented, it can be seen that when comparing the E-HRM indicator with other indicators, the cross loading value of the EHU indicator greater than the OP, EP and JS indicators as well as every other indicator which, when compared with indicators for other variables, has a greater value. Cross loading has the requirement that one indicator must have a greater value than other indicators when compared, so that it can be concluded that this data is suitable for use for research.

## Composite reliability test

In order to find out whether the data obtained from the results of distributing this questionnaire is reliable so that it is consistent over time, one method that can be used is to examine the value of composite reliability, where the recommendation for each variable value so that the data can be said to have good reliability is >0.7 (Wiyono, 2020). The following is the composite reliability value of each variable which will be illustrated through table:

**Table 5.** Composite reliability test

Variabel	Composite Reliability
E-HRM Use	0,906
Organizational Performance	0,920
Employee Performance	0,887
Job Satisfaction	0.890

**Sources:** Authors (2023)

Based on the processed data, it can be concluded that the composite reliability test results for each variable have a value above 0.7, namely the E-HRM use variable has a value of 0.906, the employee performance variable produces a value of 0.887, the job satisfaction variable has a value of 0.890 and the largest value is 0.920 was produced on the organizational performance variable. Based on the table presented, it can be concluded that each variable from the questionnaire produces quite high reliability because it has a value above 0.7.

#### Cronbach alpha test

Another way that can be used as a foundation to state that the data from the questionnaire has good reliability is through the Cronbach Alpha value of each variable. In order for the data from the questionnaire to be said to be reliable, it must meet the requirements, namely having a test result of >0.7 (Narimawati et al., 2020).

 Table 6. Cronbach alpha test

Variabel	Cronbach Alpha
E-HRM Use	0,870
Organizational Performance	0,896
Employee Performance	0,830
Job Satisfaction	0,834

**Sources:** Data processed by author (2023)

Based on the data that has been described, we can see that each variable produces a value above 0.7 where the E-HRM use variable produces a cronbach alpha value of 0.870, a cronbach alpha value from the employee performance variable of 0.830, the job satisfaction variable has a cronbach alpha of 0.834 and the largest cronbach alpha value is 0.896 from the organizational performance variable so that it can be concluded that each variable from this questionnaire data is stated reliable with a fairly high level.

## **Inner Model or Structural Model Evaluation**

## Goodness of fit-square (R-Square) test

After processing the data with the help of the SmartPLS 3 application program, goodness of fit-square results will be obtained. To see the value of this model, you can examine the R-square value. The R-square value in Wijaya's book (Wijaya, 2019) is stated to have a parameter of 0 to 1 where if the value is 0.75 then the influence is strong, a value of 0.50 indicates a moderate influence and 0.25 means the influence between variables is weak. The following is the Rsquare value of the job satisfaction and employee performance variables:

**Table 7.** (R- Square) test

Variabel	R-Square	
Employee Performance	0,507	
Job Satisfaction	0,558	
Organizational Performance	0.572	

**Sources:** Data processed by author (2023)

Based on the table presented, it can be seen that the R-square test results of the employee performance variable have a value of 0.507, the job satisfaction variable has a value of 0.558, and the organizational performance variable has a value of 0.572. From these values it can be said to have a moderate influence.

#### **Hypothesis Test**

In this hypothesis testing section we will see how the independent variable influences the dependent variable through the mediating variable with the bootstrapping test in the SmartPLS application. Apart from that, this hypothesis test will also explain the influence of the independent variable on the dependent variable which refers to the significance value of the bootstrapping test results.

## Nilai signifikansi (P-Values dan T-statistik)

This section will explain the relationship between each variable, either directly or indirectly, where a direct relationship means looking at the relationship between each independent variable and the dependent variable and the dependent variable with the mediating variable. The relationship between each variable refers to the P-values and T-statistics in the bootstrapping test with the help of the SmartPLS 3 application, where to be said to have a significant influence, the criteria for the P-values are <0.05 while the T-statistics value is above 1. 96. The significance value is also based on the results of reviewing the path coefficient value from the results of the bootstrapping test with Partial Least Square (PLS) where the value is seen through T-statistics and P-values. The algorithm results for this significance value are also included in the inner model results (Wijaya, 2019). The following is a presentation of the values of P-values and T-statistics in table form:

**Table 8.** (R- Square) test

Hasil Pengujian Pengaruh Langsung				
Pengaruh	T-Statistik	P-Values	Hasil	
EHU-OP	2,089	0,037	Diterima	
Hasil Penguijan Pengaruh Tidak Langsung				
EHU-EP-OP	4,752	0,000	Diterima	
EHU-JS-OP	1,985	0,048	Diterima	
EHU-EP-JS-OP	2,299	0,022	Diterima	
	Pengaruh EHU-OP  Hasil Pengujia EHU-EP-OP EHU-JS-OP	Pengaruh T-Statistik EHU-OP 2,089  Hasil Pengujian Pengaruh Tidak EHU-EP-OP 4,752 EHU-JS-OP 1,985	Pengaruh         T-Statistik         P-Values           EHU-OP         2,089         0,037           Hasil Pengujian Pengaruh Tidak Langsung           EHU-EP-OP         4,752         0,000           EHU-JS-OP         1,985         0,048	

**Sources:** Data processed by author (2023)

#### **Discussion**

Based on the results of testing the direct and indirect influence of each existing variable by looking at the P-values and T-statistics, it can be interpreted as follows =

- 1. Partially, E-HRM has a positive and significant influence on organizational performance, which means when there is an E-HRM system that runs well through HR processes and increases employee involvement. With the E-HRM system, employee data management, training and performance evaluation can be carried out efficiently and contribute to employee productivity and satisfaction which can improve overall organizational performance. The use of E-HRM improves organizational performance by increasing the efficiency of costs and HRM processes.
- 2. Partially, E-HRM has a positive and significant influence on organizational performance through employee performance as a mediating variable, which means that the introduction of E-HRM is to achieve a series of

expected results where increasing employee performance is the most important thing. High employee performance is a dimension that characterizes an E-HRM configuration that increases organizational success.

- 3. Partially, E-HRM has a positive and significant influence on organizational performance through job satisfaction as a mediating variable, which means that job satisfaction is a dimension that characterizes an effective E-HRM configuration. Job satisfaction refers to recognition, income, promotion, and achievement of other goals that lead to feelings of satisfaction. Job satisfaction leads to increased IT utilization thereby improving employee performance.
- 4. Partially, E-HRM has a positive and significant influence on organizational performance through employee performance and job satisfaction as mediating variables, which means employee performance and job satisfaction are dimensions that characterize an effective E-HRM configuration.

#### **CONCLUSION**

Based on the results of the previous discussion, it can be concluded based on the research objectives stated previously with the following results:

E-HRM has a positive and significant influence on organizational performance which means when there is an E-HRM system that runs well through HR processes and increases employee involvement. With the E-HRM system, employee data management, training and performance evaluation can be carried out efficiently and contribute to employee productivity and satisfaction which can improve overall organizational performance. The use of E-HRM improves organizational performance by increasing the efficiency of costs and HRM processes. Implementing E-HRM in a large organization can result in cost reductions as economies of scale are realized, whereas if the same system is implemented in a small organization, cost reductions may not be realized.

E-HRM has a positive and significant influence on organizational performance through employee performance as a mediating variable, which means that the introduction of E-HRM is to achieve a series of expected results where increasing employee performance is the most important thing. High employee performance is a dimension that characterizes an E-HRM configuration that increases organizational success.

E-HRM has a positive and significant influence on organizational performance through job satisfaction as a mediating variable, which means that job satisfaction is a dimension that characterizes an effective E-HRM configuration. Job satisfaction refers to recognition, income, promotion, and achievement of other goals that lead to feelings of satisfaction. Job satisfaction leads to increased IT utilization thereby improving employee performance.

E-HRM has a positive and significant influence on organizational performance through employee performance and job satisfaction as mediating variables, which means employee performance and job satisfaction are dimensions that characterize an effective E-HRM configuration. Employees who are satisfied with their work tend to show better performance, thereby indirectly contributing to improving overall organizational performance.

Based on the research and data processing results that have been completed by researchers, the following suggestions can be given:

- 1. Companies
  - a. E-HRM has a positive and significant influence on organizational performance, so researchers recommend that companies improve the application of the E-HRM system at PT. HRM can be overcome as well as carrying out regular monitoring of the use of E-HRM and carrying out evaluations to identify areas of improvement.
  - b. E-HRM has a positive and significant influence on organizational performance through employee performance as a mediating variable. Therefore, researchers recommend that companies conduct intensive training for employees to understand and use E-HRM effectively and facilitate collaboration between teams using E-HRM features. supports communication and exchange of information. In addition, the HR function needs to monitor employee commitment and motivation during the process of implementing the E-HRM system.
  - c. E-HRM has a positive and significant influence on organizational performance through job satisfaction as a mediating variable, so researchers advise companies to ensure effective implementation of the E-HRM system. Make sure employees are actively engaged in its use, and integrate employee feedback and data analysis features to continually improve and personalize their experience. In addition, management must implement HRM practices that increase employee satisfaction.
  - d. 4. E-HRM has a positive and significant influence on organizational performance through employee performance and job satisfaction as mediating variables, therefore researchers recommend that HRM practitioners should expect increased employee performance and job satisfaction as a result of using E-HRM and a productive workforce. and satisfaction will increase the achievement of desired organizational performance.
- 2. Next Researcher

In this study, the variable studied was only E-HRM on organizational performance with mediation between employee performance and job satisfaction. It is hoped that future researchers can examine other factors that can influence organizational performance, such as organizational culture, organizational politics and other factors as additional mediating variables that must be developed, theoretical development as well as providing more practical implications. Apart from that, it is recommended to research different industrial sectors so that knowledge about this variable can be broader, not only the industrial sector but future researchers can also expand the regional coverage, increase the number of respondents who meet the criteria and also further enlarge the scope of the demographic profile of respondents such as fresh graduate employees or from another position so that we can see a different perspective regarding the factors underlying job satisfaction and employee performance.

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