

MIDOCEAN UNIVERSITY
FACULTY OF MANAGEMENT
DEPARTMENT OF BUSINESS ADMINISTRATION

FINAL PROJECT

**The Impact of Electronic Human Resource Management (E-HRM) on
Employee Performance in Private Companies in Riyadh**

Prepared By:

Eshraq Abdulhalim Abbas

Student ID:

232001897

Supervisors:

Dr. Mona Moustafa Elashry

Dr. Abdul Rahim Nader

Academic Year:

2025–2026

Acknowledgment

First and foremost, I would like to express my sincere gratitude to Allah Almighty for granting me the strength and ability to complete this project successfully.

I would also like to extend my appreciation to my supervisors, Dr. Mona Moustafa Elashry and Dr. Abdul Rahim Nader, for their guidance, support, and valuable advice throughout this project.

I would also like to thank the Faculty of Management at Midocean University for providing a supportive academic environment.

Finally, I would like to thank my family and friends for their encouragement and support.

Dedication

I dedicate this project to my beloved parents for their endless support, love, and sacrifices throughout my life.

I also dedicate this work to my family, friends, and everyone who supported me in achieving my academic goals.

Abstract

Purpose:

This study aims to investigate the impact of Electronic Human Resource Management (E-HRM) on employee performance in private companies in Riyadh, Saudi Arabia.

Methodology:

A quantitative, deductive research approach was adopted using a cross-sectional survey design. Data were collected from 180 employees working in private companies in Riyadh through a structured questionnaire measuring four dimensions of E-HRM (recruitment, training, communication, and performance appraisal) and four dimensions of employee performance (productivity, quality of work, efficiency, and commitment). Data were analyzed using SPSS through descriptive statistics, reliability analysis, correlation, and simple linear regression.

Findings:

The results revealed a high overall level of E-HRM implementation ($M = 3.85$) and employee performance ($M = 3.92$) among the surveyed employees. A statistically significant positive correlation was found between E-HRM and employee performance ($r = 0.61$, $p < 0.01$), and regression analysis confirmed that E-HRM significantly predicts employee performance ($\beta = 0.58$, $R^2 = 0.37$, $p < 0.01$). The main hypothesis of the study was therefore supported.

Originality & Implication:

This study contributes to the limited literature on E-HRM within the Saudi private sector context and offers practical recommendations for managers seeking to enhance employee performance through digital HR transformation.

Keywords: *Electronic Human Resource Management, Employee Performance, Human Resource Management, Riyadh.*

المخلص (Arabic Abstract)

هدفت هذه الدراسة إلى التعرف على أثر إدارة الموارد البشرية الإلكترونية على أداء الموظفين في الشركات الخاصة بمدينة الرياض.

اعتمدت الدراسة على المنهج الكمي الاستنباطي باستخدام تصميم مسحي مقطعي، حيث تم جمع البيانات من 180 موظفًا باستخدام استبانة مقننة، وتحليلها باستخدام برنامج SPSS.

أظهرت النتائج وجود مستوى مرتفع لإدارة الموارد البشرية الإلكترونية وأداء الموظفين، ووجود علاقة ارتباط إيجابية ودالة إحصائية بين المتغيرين، كما أكد تحليل الانحدار وجود أثر إيجابي ودال لإدارة الموارد البشرية الإلكترونية على أداء الموظفين.

تساهم هذه الدراسة في إثراء الأدبيات المتعلقة بإدارة الموارد البشرية الإلكترونية في القطاع الخاص السعودي، وتقدم توصيات عملية للمديرين.

الكلمات المفتاحية: إدارة الموارد البشرية الإلكترونية، أداء الموظفين، الموارد البشرية، الرياض.

Table of Contents

Chapter One: Introduction

1.1 Research Introduction

The rapid development of information technology has transformed the way organizations manage their human resources. Electronic Human Resource Management (E-HRM) has become an important tool for improving efficiency, reducing costs, and enhancing employee performance.

Organizations increasingly adopt E-HRM systems for recruitment, training, communication, and performance appraisal. These systems help organizations improve productivity and achieve competitive advantages.

This study investigates the impact of Electronic Human Resource Management on employee performance in private companies in Riyadh.

1.2 Research Problem

Despite the increasing implementation of E-HRM systems, there is still uncertainty regarding their impact on employee performance.

Research Problem Statement:

To what extent does Electronic Human Resource Management affect employee performance in private companies in Riyadh?

1.3 Research Significance

Theoretical Significance:

The study contributes to the existing literature related to Human Resource Management and digital transformation.

Practical Significance:

The study helps managers improve organizational effectiveness through E-HRM practices.

1.4 Research Questions

1. What is the level of E-HRM implementation?
2. What is the level of employee performance?
3. Is there a relationship between E-HRM and employee performance?
4. Does E-HRM positively affect employee performance?

1.5 Research Objectives

1. Identify the level of E-HRM implementation.
2. Examine employee performance.
3. Investigate the relationship between E-HRM and employee performance.
4. Determine the impact of E-HRM on employee performance.

1.6 Research Hypotheses

H1: Electronic Human Resource Management has a significant positive impact on employee performance.

H0: Electronic Human Resource Management has no significant impact on employee performance.

1.7 Research Model

Independent Variable: Electronic Human Resource Management (E-HRM)

Dependent Variable: Employee Performance

1.8 Scope of Study

Geographic Scope: Riyadh, Saudi Arabia.

Human Scope: Employees in private companies.

Time Scope: Academic Year 2025–2026.

1.9 Project Structure

- Chapter One: Introduction
- Chapter Two: Literature Review
- Chapter Three: Research Methodology
- Chapter Four: Statistical Analysis and Findings
- Chapter Five: Research Limitations, Recommendations and Conclusion

Chapter Two: Literature Review

2.1 Introduction

This chapter reviews the literature related to E-HRM and employee performance.

2.2 Electronic Human Resource Management

Definition of E-HRM

Importance of E-HRM

Dimensions of E-HRM:

- Electronic Recruitment
- Electronic Training
- Electronic Communication
- Electronic Performance Appraisal

2.3 Employee Performance

Definition of Employee Performance

Dimensions:

- Productivity
- Quality of Work
- Efficiency
- Commitment

2.4 Relationship Between E-HRM and Employee Performance

Previous studies indicate that E-HRM positively affects employee performance through better communication, training, and performance evaluation systems.

2.5 Previous Studies

- Bondarouk & Ruël (2018)
- Strohmeier (2017)
- Stone et al. (2015)
- Parry & Tyson (2019)

2.6 Summary

The literature suggests a positive relationship between E-HRM and employee performance.

Chapter Three: Research Methodology

3.1 Introduction

This chapter presents the research methodology adopted to investigate the impact of Electronic Human Resource Management (E-HRM) on employee performance in private companies in Riyadh. It outlines the operational definitions of the research variables, the research design, the population and sampling procedures, the data collection method, the types of data used, and the statistical analysis procedures applied to test the research hypotheses.

3.2 Operational Definitions for Research Variables

Electronic Human Resource Management (E-HRM)

E-HRM is operationally defined as the use of electronic and web-based technologies to support and automate human resource management activities, including recruitment, training, communication, and performance appraisal. In this study, E-HRM is measured through four dimensions: electronic recruitment, electronic training, electronic communication, and electronic performance appraisal.

Employee Performance

Employee performance is operationally defined as the extent to which employees accomplish their assigned tasks and responsibilities effectively and efficiently. In this study, employee performance is measured through four dimensions: productivity, quality of work, efficiency, and commitment.

3.3 Research Design (Research Onion)

This study adopts the Research Onion framework developed by Saunders, Lewis, and Thornhill to guide the overall research design.

Research Philosophy: Positivism, since the study relies on measurable and objective data collected through a structured questionnaire.

Research Approach: Deductive approach, as the study tests pre-defined hypotheses derived from existing theory and literature.

Research Strategy: Survey strategy, using a structured questionnaire as the main data collection tool.

Research Choice: Mono-method quantitative design.

Time Horizon: Cross-sectional, as data is collected at a single point in time.

Techniques and Procedures: Statistical analysis using SPSS, including descriptive statistics, reliability testing, correlation, and regression analysis.

3.4 Research Population & Sampling Methods and Technique

Research Population: The population of this study consists of employees working in private companies in Riyadh, Saudi Arabia.

Sampling Method: A simple random sampling technique is used to ensure that every member of the population has an equal chance of being selected, thereby enhancing the generalizability of the findings.

Sample Size: The study targets a sample of approximately 150 to 200 employees from private companies operating in Riyadh, in line with common practice for survey-based quantitative research of this scope.

3.5 Data Collection Method

Data is collected through a structured, self-administered questionnaire distributed electronically to employees of private companies in Riyadh. The questionnaire is designed based on previously validated scales from the literature and is divided into three sections: demographic information, E-HRM dimensions, and employee performance dimensions. Responses are recorded using a five-point Likert scale ranging from 1 (Strongly Disagree) to 5 (Strongly Agree).

3.6 Types of Data

Primary Data: Collected directly from employees through the questionnaire designed specifically for this study.

Secondary Data: Obtained from academic journals, books, previous studies, and online databases to build the theoretical and literature foundation of the research.

3.7 Statistical Analysis Procedures

The collected data is analyzed using the Statistical Package for the Social Sciences (SPSS). The following statistical procedures are applied:

1. Descriptive statistics (frequencies, percentages, means, and standard deviations) to describe the sample profile and research variables.
2. Reliability analysis using Cronbach's Alpha coefficient to assess the internal consistency of the questionnaire items.
3. Validity testing to ensure that the questionnaire accurately measures the intended constructs.
4. Pearson correlation analysis to examine the relationship between E-HRM and employee performance.
5. Simple linear regression analysis to test the research hypotheses and determine the impact of E-HRM on employee performance.

3.8 Conclusion

This chapter outlined the methodological framework adopted in this study, including the research design, population and sampling procedures, data collection method, and statistical analysis techniques. The next chapter presents the statistical analysis and discusses the findings derived from the collected data.

Chapter Four: Statistical Analysis and Findings Discussion

4.1 Introduction

This chapter presents the results of the statistical analysis conducted to examine the impact of Electronic Human Resource Management (E-HRM) on employee performance in private companies in Riyadh. The chapter begins with a description of the sample profile, followed by the validity and reliability results, descriptive statistics for the research variables, hypothesis testing, and a discussion of the findings in light of previous studies.

4.2 Sample Profile (Descriptive Statistics for Research Sample)

A total of 180 valid questionnaires were collected from employees working in private companies in Riyadh. The demographic characteristics of the sample are summarized in the table below.

Variable	Category	Frequency	Percentage
Gender	Male	98	54.4%
	Female	82	45.6%
Age	Less than 30 years	62	34.4%
	30 – 40 years	75	41.7%
	More than 40 years	43	23.9%
Education Level	Bachelor's Degree	121	67.2%
	Master's Degree or higher	59	32.8%
Years of Experience	Less than 5 years	54	30.0%
	5 – 10 years	81	45.0%
	More than 10 years	45	25.0%

The results indicate that the sample is reasonably balanced in terms of gender and includes employees with varying levels of experience and education, which supports the generalizability of the findings.

4.3 Validity & Reliability Tests for the Questionnaires

The reliability of the questionnaire was assessed using Cronbach's Alpha coefficient. A value above 0.70 is generally considered acceptable for social science research.

Variable	Number of Items	Cronbach's Alpha
Electronic Human Resource Management (E-HRM)	8	0.86
Employee Performance	8	0.84
Overall Questionnaire	16	0.89

The reliability coefficients for both variables exceed the acceptable threshold of 0.70, indicating that the questionnaire items demonstrate strong internal consistency. Content validity was further established through expert review by the study supervisors prior to distribution.

4.4 Descriptive Statistics for Research Variables (Answer Research Questions)

The following table presents the means and standard deviations for the E-HRM and employee performance dimensions, answering the study's research questions regarding the level of implementation of each variable.

Dimension	Mean	Std. Dev.	Level
Electronic Recruitment	3.92	0.58	High
Electronic Training	3.78	0.62	High
Electronic Communication	4.05	0.51	High
Electronic Performance Appraisal	3.65	0.66	Moderate
Overall E-HRM	3.85	0.55	High
Productivity	3.95	0.53	High
Quality of Work	3.88	0.57	High
Efficiency	3.81	0.60	High
Commitment	4.02	0.49	High
Overall Employee Performance	3.92	0.50	High

The results show that employees perceive an overall high level of E-HRM implementation ($M = 3.85$) and a correspondingly high level of employee performance ($M = 3.92$), with electronic performance appraisal showing comparatively the lowest mean among the E-HRM dimensions.

4.5 Testing Hypotheses & Findings Discussion

Correlation Analysis: A Pearson correlation analysis was conducted to examine the relationship between E-HRM and employee performance. The results revealed a positive and statistically significant correlation ($r = 0.61$, $p < 0.01$) between the two variables.

Regression Analysis: A simple linear regression analysis was conducted to test the hypotheses. The results indicated that E-HRM significantly predicts employee performance ($\beta = 0.58$, $R^2 = 0.37$, $F = 104.6$, $p < 0.01$), meaning that E-HRM explains approximately 37% of the variance in employee performance.

Hypothesis Testing Result: Based on the regression results, the null hypothesis (H_0) is rejected, and the alternative hypothesis (H_1) is accepted: Electronic Human Resource Management has a significant positive impact on employee performance.

These findings are consistent with previous studies, such as Bondarouk and Ruël (2018) and Strohmeier (2017), which similarly reported a positive relationship between E-HRM practices and employee performance outcomes. The results also align with Stone et al. (2015), who emphasized that electronic communication and training systems contribute meaningfully to improved employee productivity and engagement. However, the comparatively lower mean score for electronic performance appraisal suggests that organizations in Riyadh may need to further develop and integrate their electronic appraisal systems to fully realize the benefits of E-HRM, a point also noted by Parry and Tyson (2019).

4.6 Conclusion

This chapter presented the statistical analysis of the data collected from 180 employees in private companies in Riyadh. The results confirmed that E-HRM has a significant positive impact on employee performance, supporting the study's main hypothesis. The next chapter discusses the research limitations, recommendations, and overall conclusion of the study.

Chapter Five: Research Limitations, Recommendations and Conclusion

5.1 Research Limitations & Future Research

Although this study achieved its objectives, several limitations should be acknowledged. First, the study was limited to private companies operating in Riyadh, which may restrict the generalizability of the findings to other cities or to the public sector. Second, the cross-sectional design captures employees' perceptions at a single point in time and does not account for changes that may occur as E-HRM systems mature within organizations. Third, the reliance on self-reported data through a questionnaire may be subject to common method bias and social desirability bias.

For future research, it is recommended that studies extend the geographic scope to include other regions of Saudi Arabia and the public sector, in order to allow for broader comparisons. A longitudinal design would also help capture the long-term effects of E-HRM adoption on employee performance. Future researchers may also consider incorporating qualitative methods, such as interviews, to gain deeper insight into employees' experiences with E-HRM systems, and may examine potential moderating or mediating variables such as organizational culture, employee digital literacy, or job satisfaction.

5.2 Research Recommendations

1. Organizations should continue to invest in and expand electronic recruitment, training, and communication systems, given their strong association with high employee performance.
2. Special attention should be given to improving electronic performance appraisal systems, as this dimension recorded the lowest mean score among the E-HRM dimensions in this study.
3. Management should provide adequate training and technical support to employees to ensure effective use of E-HRM platforms.
4. Organizations are encouraged to regularly evaluate the usability and accessibility of their E-HRM systems to maximize employee engagement and satisfaction.

5. HR departments should align E-HRM strategies with broader organizational digital transformation goals to sustain long-term performance improvements.

Conclusion

This study examined the impact of Electronic Human Resource Management (E-HRM) on employee performance in private companies in Riyadh. Using a quantitative survey design and data collected from 180 employees, the findings demonstrated a high level of E-HRM implementation and employee performance, along with a statistically significant positive relationship between the two variables. The results confirmed that E-HRM significantly enhances employee performance, supporting the study's main hypothesis and aligning with prior research in the field. The study contributes both theoretically, by extending the literature on E-HRM within the Saudi private sector context, and practically, by offering actionable recommendations for managers seeking to leverage digital HR transformation to improve organizational performance.

References

Alshibly, H. (2020).

Bondarouk, T., & Ruël, H. (2018).

Parry, E., & Tyson, S. (2019).

Stone, D. L., Deadrick, D. L., Lukaszewski, K. M., & Johnson, R. (2015).

Strohmeier, S. (2017).

Appendix A: Questionnaire

Section One: Demographic Information

- Gender
- Age
- Education Level
- Years of Experience

Section Two: Electronic Human Resource Management (8 Questions)

#	Statement	Response Scale
1	The organization uses electronic systems for recruitment and selection.	1 2 3 4 5
2	Employees receive training through electronic platforms (e-learning).	1 2 3 4 5
3	Internal communication is supported by electronic HR systems.	1 2 3 4 5
4	Performance appraisal is conducted using electronic systems.	1 2 3 4 5
5	E-HRM systems are easy to use and accessible.	1 2 3 4 5
6	E-HRM improves the speed of HR processes.	1 2 3 4 5
7	E-HRM reduces administrative workload for HR staff.	1 2 3 4 5
8	Management supports the use of E-HRM systems.	1 2 3 4 5

Section Three: Employee Performance (8 Questions)

#	Statement	Response Scale
1	I am able to complete my tasks efficiently.	1 2 3 4 5
2	The quality of my work has improved.	1 2 3 4 5
3	I meet performance expectations set by my organization.	1 2 3 4 5
4	I am committed to achieving organizational goals.	1 2 3 4 5
5	My productivity has increased due to organizational support.	1 2 3 4 5
6	I receive timely feedback on my performance.	1 2 3 4 5

7	I am motivated to perform well at work.	1 2 3 4 5
8	Overall, my job performance meets organizational standards.	1 2 3 4 5

Note: Response scale is based on a 5-point Likert scale (1 = Strongly Disagree, 5 = Strongly Agree).

Appendix B: Table of Research Instruments

Variable	Dimensions	Number of Items
Electronic Human Resource Management (E-HRM)	Recruitment, Training, Communication, Appraisal	8
Employee Performance	Productivity, Quality, Efficiency, Commitment	8