An Emerging Trend of Digitalization in HRM

Pallavi Padhy[a]. Dr.Madhusmita Dash[b].
Research Scholar[a], Associate Professor[b]
Siksha O Anusadhan deemed to be University

Abstract:- Employers' increasing use of digital technologies in HR operations has piqued the attention by academics and tactician throughout the place. A number of researches are going on to characterize the various human resource practices in the field of information technology and to justify the requirement of digitalization for the growth of organization. The main aim of this research is to endow with the link between the need of digitalization in human resource and the benefits they provide to employers, to carry out the businesses towards improvement of the performance of the organization. Therefore the study mainly aimed at various current literature reviews about the efficacy of digitalization within Human Resource Management and insights findings with regard to digital technology in HRM.

Keywords:- Digitalization, Digital transformation, Human Resource Management and e-HRM.

I. INTRODUCTION

Both on a personal and professional level, technological advancements have changed communication methods. The organization's Human resource activities starting from Recruitment and selection to training and development and followed by performance appraisal can be effectively done by the information Technology. Digital technologies are utilized in a variety of HR activities, most notably in areas like as functioning with huge quantity of information (big data), training through computers, and machine learning for staff assortment as well as assessment, and online workers response organization. Intelligent systems are a completely new category of technologies that may assure the employees towards creating managers, assessing applicants to find out the suitable employees, recommending best possible guidance, detecting scam challenges, creating pressure in human resources, and other complexities and problems of the organization. Currently, software with artificial intelligence features can address virtually all of the difficulties that HR managers encounter, from selecting candidates to evaluating an employee's emotional condition (Berzinya, 2018). Such software may assess an employee's intellectual condition on the computer assisted activities which improves the competence level of the organization.

Here the study mainly focuses on how digitalization works effectively in Human Resource Management in improving organizational performance through a comprehensive literature review. The following discussion will focus on current research that describes the role of digitalization in successful HR performance and features of e-HRM. Therefore it reflects how digital technology improves an organization's efficiency and performance through the management of Human resources to address the strategic use of today's competitive business climate.

II. OBJECTIVES AND RESEARCH METHODOLOGY

A comprehensive review of literature based on digitalization and E-HRM of peered review academic publication has been taken in this study. The article provides a summary of existing research on the impact of digitalization on HRM as well as a theoretical framework for interpreting the study's issue. Search engines, as well as books and conferences, were utilized to find relevant papers through the keywords for digital technology and related to the human resource digital transformation. The analysis and conclusion are based on the identified papers, as well as the references mentioned in the publications.

- To look at how electronic human resource management get progressed in the present scenario and its implications for Human resource management.
- To comprehend the many elements of E-HRM and to visualize the digitalization perspective in the SWOT analysis.

III. DIGITALIZATION IN HRM

Before we understand the significance of digitalization in HR, it is necessary to first understand its origin and its various effects. For Robert Wachal, the term "digitalization" was coined in 1971 to describe the process of society's increasing usage of technology (Pieriegud, 2016). According to Kagermann, digitalization is the process of making the world more digital. It involves the networking of people and various kinds of things which facilitated to information technology for the purpose of communication some terms used to describe Information Communication Technology (ICT) in relation to Human Resources Management include HR intranet, web-based human resources, virtual HRM, and computer-based portals of HR. Even the word e-HRM has been traced back to the 1990s, when it was coined to describe the rise of e-commerce (Lengnick-Hall & Moritz, 2003).

Many writers have defined E-HRM as any sort of HR activity that may be supported by information technology, whether administrative or transformative (Olivas & Zapata, 2007; Lau & Hooper, 2008; Panayotopoulou, 2007). E-HRM, on the other hand, is a web-based technology solution that uses the most up-to-date technologies of IT offers a great space of solution of HRM in online and real mode (Olivas & Zapata, 2007). The electronic personnel management, according to Strohmeier (2007), mainly reflects a frame for implementing, and functioning of digitalization with arrangement as well as assist of at least two employees or collective members in their joint management of Human resource functions. The term virtual

HR was coined by Lepak and Snell (1998) for describing an arrangement based on joint ventures and intervene by information technology to assist a company in acquiring, developing, and deploying intellectual capital. The e-HRM, according to Rul, Bondarouk, and Looise (2004), is a method of implementing HR policies, guidelines, and regulations in business through the planned and intended for use of internet based technological channel that the various authors, on the other hand, emphasize different features of electronic human resource management.

IV. FEATURES OF E-HRM

The aspects of electronic human resource management, was mostly focusing by some authors to know how HRM tasks may be more readily managed. They claim that e-HRM is an idea that allows for better management of HR processes and functions (Kettley, & Reilly, 2003). As per this definition, e-HRM encompasses the HR department's fundamental administrative operations, like payroll, personnel data administration, proof continuance of department, and others, which account for the majority load for the responsibility of HR department. In this context, a number of writers have backed the cost-cutting and efficiency-boosting benefits of e-HRM (Marler, 2009; Rul et al., 2004). This is accomplished by lowering the number of HR employees dedicated to these tasks, boosting processing speed, and reducing administrative work, can easily move to other work (Rul et al., 2004; Ruta, 2005; Strohmeier, 2007). Like-wise Voermans and Van Veldhoven (2007) define e-HRM as "administration support for HRM through the use of internet technology."

The second set of authors aims at the relational component of e-HRM, which involves using technology to get access to human resource data. According to the definition by Strohmeier, 2007, e-HRM refers as the utilization of information technology (IT) for connecting minimum two employees or group of employees for execution of operations and functions of HRM. Watson and Wyatt (2002) define e-HRM as "the use of various sorts of technology that enable managers and workers to have direct access to human resources data and other administrative applications." According to Bondarouk and Brewster (2016), the main point of e-HRM is incorporating all means and the entire functions of HRM that are broadcastby information technology, with the goal of making HRM processes more reliable, competent, and also well organized and of higher quality, and with the goal of creating continuous prospects of stakeholders of the company . The workers and supervisors may have authority to use the information of human resources with relational e-HRM, improving their capacity to communicate with other internal and external stakeholders and giving them the skills to execute HR tasks themselves. HR personnel's participation is reduced once more; permit them to relocate the objectives and goals to perform other work (Poisat, P., & Mey, M.R., 2017).

Finally, the third group of academics focuses on e-transformative HRM's potential. E-HRM has the potential to revolutionize the HR function by enhancing the planned direction of human resource management (Rul et al., 2004). And this can stated that e-HRM is a broad term that encompasses all potential processes and connections of HRM with IT which has been developed for getting value to the employees as wll as to the organization. With reference to Martin-Alcazar, Romero-Fernandez, & Sanchez-Gardey, 2005; Wright & McMahan 1992, established an organization strategies and plans with the base of company management of human resources . As a result, one of the most important goals of e-HRM to develop the department of human resource through strategically arrangements.

The e-HRM is basically a setup which involves all hardware of computer, its software and all networks of electronic which allows HRM tasks to be carried out. At the same time, , Marler,& Parry in 2016 state that regardless of geographical constraints or organizational horizontal and vertical user differentiation, required for resolving the e-HRM developments in organization by all equipments of network to connect all functions of HRM.

The HRM digitization aims to combine all aspects of resources of human as well as networks of all equipments to develop all digital competence for having uniformity and regularity in the process of HRM with comparable to other organization (Fedorova, et al, 2017, Kokovokhin, et al, 2017). Stephan et al. in 2016 state that HR has been able to change employee experience by transforming HR operations through various options of digital platform and technical apps which helps to provide services with digital communication in this 21st century.

V. IMPACT OF DIGITALIZATION IN HRM

The review of literatures shows that the organization's productivity has been developed from the e-HRM. However the automation and digitalization helps in reducing HR manual activities, lower costs, and less administrative load (Hawking,Stein, & Foster, 2004).Even it has been seen that e-HRM supports to get good relation to the organization through its professionalism of HR functions to provide services to its customers. According to Walker (2001), the success of technology in the HR sector hinges on increasing service quality, lowering costs, and freeing up time for higher-value jobs. Watson (2002) agreed with him, stating that there are four variables that demonstrate the worth of electronic HR: profit from productivity, saving cost and rate of returns, and develop the communication network of employees. Thus it results in assisting of lowering expenses and increasing productivity, as well as improving communication, reducing paperwork, and, most importantly, increasing production. It may also assist in creating an organization without borders in certain aspects (Mario Arias, 2005).

The HR department is intended to offer strategic direction to an organization's human capital management and boosts in achieving managerial goals (Hawking et al.,2004; Lepak, Bartol, & Erhardt, 2005). Digitalization necessitates redefining HR professionals' roles and creating new skills to support employee well-being and organisational viability in the digital age. As a result, technological expenditures are made with the goal of

increasing operational efficiency (Bell, Lee & Yeung, 2006; Lawler & Mohrman, 2003). Yusoff, Ramayah, and Haslindar (2010) think that e-HRM may improve the quality of HR services and assist managers in supervising employees more efficiently and effectively. The e-HRM boosts organizations productivity through a great extent through attaining globalization perspective to get through Global HRIS, Global information system. Globalization has generated a slew of unforeseen and difficult issues. E-HRM has a significant impact on addressing these issues (Akmanligil & Palvia, 2004). Employees may now work from anywhere owing to technology advancements, and HR personnel can do responsibilities from any place (Van Heerden, 2011). This improves employee freedom and yields greater performance. In their study, Farber et al. (2003) also found that automating procedures increases the HR team's efficiency and makes their work easier. Automation allows a company to save time and money by automating repetitive tasks, enabling the company to focus on more essential tasks stated by Chapman & Godollei, 2017. This reflects in lowering the cost of recruitment and selection and provides an ease to attain competence in human resource.

VI. SWOT OF E-HRM

Every function of HRM has its own set of digital tools; anyhow it's functional, operational, or planned in nature. However the need of digital technology in businesses has improved the productivity, effectiveness, and efficiency of HR functions. It entails rethinking conventional HR management roles in the platform of digitalization and its competence to achieve goals as well as benefiting all stakeholders. Digitalization in HRM, till now prove that how supports in investments and improve the necessary expenses for getting good services and attain high competence. Investment in digital technology becomes easy for the employers through providing them with the appropriate knowledge, skills, and resources. It also offers a number of difficulties in terms of preserving secrecy and keeping staff. Despite its shortcomings, e-HRM has been embraced and used by a lot of companies for long-term growth due to its broad application and excellent results.

VII. CONCLUSION

The article focuses on the trend of digitalization which is so important for an organization for its HR activities. To summarize, digitization allows HR managers to recruit superior personnel, helps in appraising employees providing them required training to access it and improve the potentiality of the employees. This research goes on to say that digitization has enhanced the company's worldwide reach, which is an achievement in the twenty-first century. Furthermore, the study discovered that E-HRM apps had a substantial beneficial impact on HRM activity efficacy. It became clear that one of the underlying benefits of digitization and automation is increased efficiency and effectiveness. HRM digitalization seeks to improve an organization's performance. HR professionals must be more strategic and proactive in order to attain greatness, and they must develop knowledge in emerging developments in

technology. The study in e-HRM helps for future research for an organization to move towards digitalization in the area of human resource, and they can also help other researchers identify similar studies during the literature review portion of their work.

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