



EMERGING TRENDS ON DIGITALIZATION OF HUMAN RESOURCES PRACTICES

Mr. PRAVEEN. S, Assistant professor, Department of Master of Business Administration, Anand Institute of Higher Technology, Kazhipattur, Chennai : praveens.mba@aiht.ac.in

ABSTRACT

These days, the traditional company model is changing due to digitization. Human resources management (HRM) is one of the functions that has been most impacted by digitization because of the rising use of employee-related software, IT-enabled HR functions, social media, and mobile technologies. The businesses are employing a digital strategy while managing their human resources (HR). To stay competitive in the industry, human resource procedures must be continuously improved upon. Additionally, recent studies have revealed that businesses are creating employee-focused HR procedures that are digitally enabled. HR must be upgraded in order to produce the finest results and compete in the market. As a result, innovative and technically enhanced HRM is gradually replacing the conventional HRM as technical improvements are achieved in the sector of human resources. In order to transition HRM to E-HRM, this article tries to examine how digitalized (IT) equipment is used in HR practice. An comprehensive, company-wide electronic network of HR information, services, tools, applications, and exchanges is referred to as e-HRM. The current research seeks to fill this gap by examining the effects of HR function and digital HR technologies on successful HR transformation. The research will also look into the impact of different HR positions (such as administrative, employee champion, change agent, and strategic partner roles) on business outcomes and digital HR technology.

KEYWORDS: Digitalisation , Human resource management, Reviews

INTRODUCTION

The internet is functioning as the primary driver of change in enterprises due to the growth in technology. Since it serves as a superior strategy for communicating with audiences of greater size than at any other point in recent memory. Today's HR professionals must adapt to heightened competition for comprehensive digitalized change and speedy technological breakthroughs in HR. Future HR professionals who are adaptable and eager to deal with the ever-accelerating pace and frequently unanticipated changes in the global workplace will need new types of technical knowledge, aptitudes, and competencies. The impact of a shift to a decentralized economy, which, if used wisely, might result in liberation, must be evaluated by HR professionals. In order to bring together the commitment of autonomous people in a way that is socially viable, the age will demand a new type of association built on a different framework. Therefore, it is evident that a more effective method of managing HR as a system is developing, and new HR managers should manage themselves (Anyim et al, 2011). Modern business is handled on a global scale, which entails the transfer of goods and businesses, technology, managerial expertise, and money to other nations or across international borders. Globalization has reduced distances between people thanks to rapid communication networks. The world's economies are becoming more linked (Bhagwatti, 2004). The longevity of an association depends on the type of human resources it has access to and/or uses, therefore digital HRM has become a more important management tool than conventional HRM in the world as we currently know it. The human resources department must embrace the digital transformation and make exceptional practices the foundation of their HR system. However, human resource management faces a variety of difficulties globally. Business organizations must attempt to enter the global market if they want to prosper in the current world. Trying to manage the complexity of change and transformation is the most difficult opportunity for HR job. Today, HR is taking the lead in helping businesses build the internal capacity and momentum associations need. According to Indermun (2014), the role of human resource managers is changing nowadays as a result of the shift



in the market's competitive climate and the recognition that human resource management (HRM) must play a more strategic role in an association's performance. The success of the hiring process heavily influences the type of human resources an association has. According to Burma (2014), having a skilled workforce is crucial because "in a competitive era, the development of any association is relevant to the development of its talent." To encourage them to offer their best effort, it is just as important to identify and hire exceptional employees as it is to keep them. Therefore, objective, defined, and consistent performance evaluation systems are related to consistent reward systems. According to Taylor (2009), there are four key areas that must be addressed in order for an employee to "become hopelessly enamoured with" an organization: reward fairly in line with the market, treat well, that is, place an emphasis on recognizing each employee's commitment, prepare and improve abilities, and develop talented people. It would be most helpful and advantageous for HR practitioners in the web-based economy to comprehend the relationship between HR and IT and employ a theoretical approach to improving the performance of the HR work through its integration. Technology is a crucial technique for ensuring that efficiency and innovation are balanced in every organization. Given that HR serves as the association's focal point and is typically in charge of creating authoritative structure, the coordinated effort between the two is enormous. By enhancing one of the association's most important resources—its people—digital technology helps the organization grow more profitable. "An umbrella term covering all possible integration mechanisms and contents between HRM and IT going for creating value inside and across association for targeted employees and management," says one definition of digital HRM, "is a path by which strategies, policies, and practices can be effectively implemented." The vast bulk of tasks related to human resources are outsourced. Business now needs their HR employees to have more new skills.

According to strategic HR literature, the HR department must change by automating the conventional operational role and shifting to a more strategic one (Truss, 2008). But research indicates that HR professionals continue to prioritize their traditional operational and administrative roles (Boxall and Purcell, 2008; Caldwell, 2003). Additionally, the current VUCA climate has compelled HR functions to undergo a fundamental shift from operational to strategic; qualitative to quantitative; policing to partnering; short-term to long-term; administrative to consultative; and functionally oriented to business-centric (Ulrich, 1997). Ulrich's model of HR role transformation examined four crucial functions that HR played in a variety of contexts, including administrative, employee champion, change agent, and strategic partner. There is a dearth of research on the function and performance of human resources, much of it is secondary data based (Beatty and Schneier, 1997) or limited to mainly strategic roles (Bhatnagar and Sharma, 2005), and it is frequently done outside of India (Yusoff et al., 2009). Additionally, less is known about the effects of HR roles on performance due to an increased focus on HR transformation studies (Caldwell, 2010). From these angles, the current study is crucial.

Types of E-Recruitment

- Operational E-Recruitment consists of crucial communications marked by immediate candidate connections, global messages, and a high degree of automation.
- Relational e-recruitment is defined by the creation of true candidate relationships through improved candidate feedback, the tailoring of candidate messages, and the use of web 2.0 tools, such as unofficial organization sites.
- A global talent management strategy is the foundation of transformational e-recruitment, which entails defining the fundamental positions before attracting and retaining candidates that fit the established profile. Employer reputation and branding may be of great assistance.

DIGITALIZATION IN TRAINING DEVELOPMENT

IT tools have changed how a workplace approaches formal education. E-learning gives employees a huge opportunity in the age of digitization by making learning more engaging and appealing. E-UGC CARE Group-1, Sr. No.-155 (Sciences)



learning, as used in the delivery of a variety of arrangements that improve knowledge and performance, refers to the use of internet technologies. Lessons, case studies, role plays, and other basic preparatory methods give way to more sophisticated methods including technology-based learning, video, internet, and computer-based learning. E-learning is being adopted by numerous public and commercial sector organizations. Electronic or online correspondence using the most recent information and correspondence technologies is used to support or enhance e-learning.

DIGITALIZATION IN PERFORMANCE MANAGEMENT

Performance gauges how efficiently and effectively employees accomplish hierarchical goals. The planning and application of information technology for the management of performance management systems is known as e-performance management. The component of e-HRM is e-Performance Management. IT-enabled Performance Management is a useful tool for maximizing system benefits at a proportionately lower organizational cost. The E-Performance Management gives organizations the ability to maintain a record of core competencies and abilities in the employee monitoring process. Software for performance evaluation is becoming more common in associations as a result of the development of technology. By saving time and money, performance management software aids HR in carrying out employee performance in the best way possible. Utilizing performance management software offers a novel approach to handling employee performance reviews. It offers performance evaluations and aids in boosting productivity, relationships, and behavior, development, and core competencies.

DIGITIZATION OF BANK OF BARODA

For employee services, Bank of Baroda has launched the Human Resource Network. It includes every aspect of HRM work done at the bank. The Oracle Core HR Module handles all of the bank's HR processing. The use of this software enables the employees to take various learning courses. Beginning in 2009–10, the Performance Management System is in place for all officers. The performance planning and goal-setting process is where the system starts, and it progresses into performance reviews, discussions, feedback, and development. The new system is business-related, genuinely objective, and entirely transparent, with people taking responsibility for and managing their own performance. The idea channels where new employees can express their ideas are Baroda sujhav and ideaonline@bankofbaroda.com. Employers at the bank are encouraged to submit new ideas by offering structured prizes for the top ones.

DIGITIZATION IN SBI-GYANODAYA E LEARNING GATEWAY

The preparation resources are offered by the SBI's e-learning portal in an effort to improve the employees' aptitudes. The entrance offers various learning modules for the chief manager, branch manager, money officer, and field officers, among other positions. Every SBI employee has access to entries where their information is stored in the HRMS entryway. This entry's goal is to make learning accessible to everyone, everywhere, and at any time. The employees are free to select any module through this entrance, and they can obtain certification by accessing examinations. Introduction to Portal: - (1) Registration of New Users: Your personal information and authority details sections will be calculated using the information from the HRMS for the employees. Employees then provide their contact information and work information. The staff can construct his record after filling up these information. (2) Enrolling in classes, often known as "course registration". (3) Obtaining Access to Lessons: Obtaining "course equipment" (4) Taking Quizzes & Tests: an assessment test. The SBI E-Learning entrance's system requirements are quite standard. Internet Explorer 6.0 or Firefox 3.x must be used.



THE PURPOSE OF STUDY

The current study aims

- To review related studies on digitalization of human resources practices
- To propose findings related to the study

REVIEW OF LITERATURE

Although HR professionals are already using innovation to some extent, the question of whether it is being acknowledged, amplified, or quantified still has to be addressed. The fundamental requirement is to determine how HR can integrate IT into their system in order to attract and retain the individuals who will have the advantage and have the processes that support the business model (Huselid, 1995). Recent instances among local and international organizations have shown how important it is to implement it into HR procedures in order to increase profitability. For instance, by designating each HR employee as a change operator and defining critical competencies, Deutsche Bank has made the HR division a crucial business partner. The main forces behind the transformation of Deutsche Bank's workforce administration were improvement and data innovation (Svoboda and Schroder, 2001). Technology has been conceptualized in previous studies as a helpful tool that can only give an advantage when combined with current corporate capabilities (Tippins and Sohi, 2003). Traditional HRM practices like recruitment, compensation, performance reviews, retraining, redeployment, and rightsizing are said to have been purposefully modified with innovations, which are referred to as creative HRM practices to acquire skills, practices, and associations during the process of hierarchical re-outlining (Huselid 1995) (Som, 2012). The main problem during HR practice execution was the observation that organizations don't invest much in IT due to the prohibitive costs involved. Innovation is undoubtedly one of the important indicators that affect how HR practices execution, regardless of the situation (McCampbell, Clare and Gitters, 1999). According to Pfeffer (1981), a hierarchical setting's ability to maintain such advancement depends largely on the relative intensity of authoritative characteristics (such as size and unionization) (Kossek 1987, 1989). While managers have started to recognize that organizations' appropriation and integration of IT has become a competitive necessity, they have also begun to recognize that there is still much to learn about how to strategically position technology to ensure the notable positive impact on firm performance (Tippins and Sohi, 2003). Additionally, innovation might provide a benefit in gaining knowledge from a wealth of outdated information repositories. Previous studies have shown that creative HR best practices have a variety of benefits for the receiving organization (Agarwala 2003; Bhatnagar and Sandhu 2005; Bhatnagar 2007).

Additionally, it can facilitate quick data hunting, access, and recovery as well as support cooperative work and communication between hierarchical personnel. A few analysts discovered that, out of all the measurements, the presentation of creative HR best practices best improved employee connection to the organization because they clarified the most change in hierarchical responsibility. Additionally, previous experts have argued that the concept of the HR division's interaction with best and center administration, as well as the ways in which the HR procedure is associated to the hierarchical manner (Ulrich 1997). In associations operating in India, Som (2007) proposed a number of variables that affect the choice of creative HRM hone, including national situation, institutional system, culture, and structures that drive creative practices, unionization, innovative complexity, hierarchical size, professionalization, rebuilding, initiative and best management style, and HR division. According to Oxford Economics (2012), innovation is also changing how certain tasks are carried out (HR). Today's HR innovators can employ tools to gauge things that were previously difficult to predict or quantify. According to research, the transformation of HR into an essential business function is well under way and will continue over the next years. The process entails expanding and enlarging the collaboration between HR and various specialized units in order to improve the execution and investigation of ability administration, as well as placing a greater



emphasis on generating business results through the effective use of innovation. According to Wolf (2015), technological and social advancements are actually changing the way that capital punishment is administered. Although being paperless is currently the norm in many organizations, the developments go beyond that. Directors may now monitor reps virtually constantly and provide feedback so that they always know how they are performing and where they stand (Wolf, 2015). This informal feedback may also be deliberately incorporated into the official execution administration process, which could improve accuracy and limit surprises.

According to Chase (2014), modernizing ability management necessitates digitization, but it also entails utilizing social and computerized technologies in ways that foster and enhance communication, coordinated effort, and commitment — not just between an employee and the organization, but also between and among representatives themselves. They will never again have their own specific space, as will human resources, capability forms, and the innovation that supports them. Or perhaps a number of HR and ability management functions will end up being fully integrated into the future of work (The Innovation venture, 2015). E-HRM definitions, according to Bondarouk and Ruel (2009), have "prospered, with no coherence or assenting in locate." The authors also stress the importance of understanding how analysts describe e-HRM. They claim that slight variations in wording may cause subsequent investigations to anticipate different outcomes or result in a variety of client "subsets" within the e-HRM target population.

Since early attempts at the nexus between technology advancements and HRM, numerous definitions of this marvel have been put forth. Although the text distinguishes between these many electronic and electronic wonders, e-HRM has also been referred to as HR Information System (HRIS), virtual HR (M), online HRM, and intranet-based HRM. Bondarouk, T., Schilling, D., and Ruel, H. (2016). Size and achievement provide the idea that e-HRM and an HRIS stand out from one another. A system structure is often used as the primary defining feature of e-HRM in existing writing. Strohmeier, S. (2007), for example, defined e-HRM as the "arranging, usage and use of data innovation for both systems administration and supporting of no less than two individual or aggregate on-screen characters in their common performance of HR exercises." Thite, M., and Kavanagh, M.J. (2009) divided HRM activities into three categories: (1) value-based activities, such as routine interactions and record keeping; (2) traditional HRM activities, such as recruitment, selection, planning, preparation, pay, and execution administration; and (3) transformational activities that boost the association's value, such as advancement through the ranks, ability management, and learning. Significant portions of value-based activities are now transmitted electronically as technology has been increasingly integrated into HR frameworks. In the area that follows, comparisons between e-HRM and mechanized human asset data frameworks (CHRIS/HRIS) are made in an effort to understand how important an innovation-driven online interface was in promoting the viability and productivity of HRM. According to Walker (2001), HRIS is an effective system for obtaining, storing, monitoring, retrieving, and approving data related to an organization's human resources (HR), workforce activities, and hierarchical unit attributes. It is essential to consider the following in order to comprehend what makes up e-HRM. For e-HRM to be properly implemented and take into account the acquisition, storage, examination, and flow of human resource data throughout the organization, an integrated HRIS and appropriate technology are necessary (Van Heerden, Poisat, and Mey, 2012). Through a successful e-HRM stage, HRIS must assist line administrators and human resource managers in fundamental leadership that is linked to the achievement of important company objectives by methodically creating precise, auspicious, and applicable data (Van Heerden et al., 2012).

For a new e-HRM system to be accepted and used within the organization, it is crucial that both managers and employees sign up for it. Chiefs have complained that using e-HRM is absolutely not a good use of their time, thus some still revert to using conventional unconnected frameworks, which has made it difficult to encourage administrators and employees to use e-HRM frameworks (Parry and Tyson, 2011). This situation highlights the importance of persuading people to modify their



perspectives about the advantages of embracing e-HRM in order to avoid delays and reap the associated benefits (Parry and Tyson, 2011). In this way, the importance of skill development, training, and a suitable e-HRM framework is highlighted. Social factors may also have an impact on how e-HRM is received, as the national culture of the country in which an organization is located may have an impact on the association's way of life (Bondarouk, Schilling and Ruel, 2016). For instance, a culture that values close relationships and individual relationships may find that e-HRM practice sessions are farther away from home and so more difficult to accept and engage with (Bondarouk et al., 2016). Watson (2002) identified four factors—profitability changes, cost reductions, rate of profitability, and improved worker relationships—that demonstrate the effectiveness of e-HR. Several pieces of recent writing and contextual studies make reference to increased efficiency as a result of e-HRM. This is thought to be achieved via a reduction in HR staff, cost reserve money, and less regulatory weight due to computerization (Hawking, Stein and Foster, 2004; Ruel et al., 2004 as referred to in Strohmeier, 2007). However, it is unable to directly translate the time saved by e-HRM into financial benefits (Dias, 2001). By increasing opportunities and improving the customer experience, e-HRM can assist in achieving social goals, including the provision of excellent services to the organization's internal clientele (Snell, Pedigo and Krawiec, 1995 as referred to in Lepak and Snell, 1998).

FINDINGS RELATED TO THE STUDY

A change in mindset within the HR organization, stressing connectivity, real-time operations, structures, automation, and cellular-first, is where HR's virtual revolution began to take shape. That is a contemporary potential for many organizations, both within HR and throughout the company. One aspect of the bigger virtual HR duty is to respond to the question, "How can HR play a role in establishing the general digital corporation method, organization, and culture." This digital HR journey focuses on the employee and HR experience. In this study, an effort was undertaken to determine the current reputation of e-HRM and the body of available knowledge in this area. It has been stated that e-HRM can boost HR team effectiveness, enhance HR provider delivery, and transform the HR function's role into one that is more strategic. Therefore, utilizing e-HRM may also enable the HR function to increase their charge and contribute to the competitive edge of the business. The growing use of HR systems and generation could be another source of organizational expense because these assets are easier to copy than things like know-how. Many sections of recent literature make the argument that e-HRM can improve the performance of HR activities by reducing costs and speeding up HRM methods. One of the main goals of e-HRM is to produce performance profits or cost savings by reducing headcount in HR departments and eliminating administration. The usage of E-HRM can thus be made in place of having people carry out administrative or transactional duties by hand and also provide such duties more effectively. In addition to reducing administrative tasks, sophisticated e-HRM systems can be leveraged to offer manager and employee self-service possibilities. As a result, associations are working to cut costs and increase production. Associations are working to transition their HR practices to include electronic records. Organizations in the age of globalization needed to be all-inclusive by reaching out to people all over the globe. This demanded complete honesty across their value chain and increased process proficiency across all of the associations. Companies in India are making an effort to convert their HR practices to E-HR practices, such SBI-Gyanoday E-Learning Entryway and Bank of Baroda. These companies used unique programming for a variety of HR capacities. These web developments aid organizations in gaining the upper hand. These connections highlight the value and necessity of cutting-edge tools in Indian industry. The majority of firms rely on outside advisors for their HR initiatives, thus they need additional professionals in their HR team. The principle of EHR is to create an authoritative culture that improves the representatives' working knowledge by raising the worth of the company. Our foundational findings show that digitalization is perceived as a changing public environment that creates external weights for change within associations. Digitalization was portrayed as creating a



rapidly changing environment to which the association must adapt in order to survive. Additionally, it was emphasized that it implies modifications in human behavior, both in regard to clients and representatives. In the long run, digitization affects everyone in some way, which has implications for the association both directly and indirectly. To elaborate on this, it was demonstrated that digitization offers many proposals for HR managers.

CONCLUSION

The study's goal was to provide a summary of recent writings on the nature and scope of the development of digital HRM. Through improved methods for interacting and communicating with everyone using computerized tools, digitalization enables new work structures. In order to meet the arbitrary requirements that digitalization entails, it also calls for new labor structures. HR directors have difficulties as a result of being put in a perplexing situation that necessitates both immediate and crucial focus on the employees. E-HRM (electronic human resource management) is a business solution that provides full online support for the management of all procedures, activities, statistics, and data needed to manipulate human resources in a contemporary commercial firm. It is an effective, dependable, and simple-to-use instrument that is available to a sizable institution of various consumers. It is obvious that some e-HRM components receive more study attention than others. The results of this evaluation appeared to show that many research concentrated on the value and cost of e-HRM for the human resources department and staff. More research is needed to advance our understanding of this field and demonstrate how the use of e-HRM can result in strategic advantages like increased productivity. This suggests that the HRM value chain is focused on "what the employer accomplishes in the marketplace/society." This will require empirical research centered on developing trustworthy and valid metrics to show the relationship between e-HRM and, among other things, decreased prices, increased revenue or earnings, return on investment, financial price addition, shared income, discounts in pollution ranges, and poverty alleviation. It is also suggested that future research focus on determining the value of and price introduction for e-HRM for a variety of organizations' clients, including operational staff and line management. This would imply that the HRM value chain is focused on "what happens with the people" and "what the people get in the organization." E-HRM is a technique for implementing HR policies, guidelines, and practices in groups through the deliberate and intentional usage of web-generation-based channels. It covers all aspects of human resource management including personnel management, training and education, career development, company agency, activity descriptions, hiring system, employee's private pages, and annual interviews with employees. Similar to how some of the key issues were mentioned in our analysis, e-HRM is a method of implementing HRM. Simply switching from one digital tool to another might not be enough to revolutionize HR. In order to change how people operate and their roles and responsibilities inside the business, practitioners need to consider the methods and processes that will be used. Real transformation may be aided by the deployment of capabilities and agility within the business through the proper configuration of HR practices. Finally, for HR transformation to be successful, decision-makers must invest more time and money into developing a suitable digital HR strategy and subsequent implementation roadmap. The integration of the HR department with company goals and the long-term vision for technology deployment must be clear to managers.

REFERENCES

1. Anyim, F. C. and Ikemefuna, C. O & Mbah, S. E. (2011). Human Resource Management Challenges in Nigeria under a Globalized Economy. *International Journal of Economics and Management Sciences*, Vol. 1, No. 4, pp: 1-11.
2. Bell, B. S., Lee, S. & Yeung, S. K. (2006). The Impact of E-HR on Professional Competence in HRM: Implications for the development of HR professionals, *Human Resource Management*, 45(3): 295-308



3. Bhatnagar, J., and Sandhu, S. (2005). Psychological Empowerment and Organizational Citizenship Behaviour in IT Managers: A Talent Retention Tool. *Indian Journal of Industrial Relations*, Vol. 40, pp. 449–469
4. Bondarouk, T., Ruel, H., & Van der Heijden, B. (2009). E-HRM effectiveness in a public sector organization: A multi-stakeholder perspective. *International Journal of Human Resource Management*, 20(3), 578–590.
5. Bondarouk, T., Schilling, D., & Ruel, H. (2016). E-HRM adoption in emerging economies: The case of subsidiaries of multinational corporations in Indonesia. *Canadian Journal of Administrative Sciences/Revue Canadienne des Sciences de administration*, 33(2), 124–137.
6. Burma Z.A. (2014) Human Resource Management and Its Importance for Today's Organizations. *International Journal of Education and Social Science*. Vol. 1 No 2. pp. 85-94.
7. Dias, C. (2001). Corporate portals: A literature review of a new concept in information management. *International Journal of Information Management*, 21, 269–287
8. Hawking, P., Stein, A., & Foster, S. (2004). E-HR and employee self-service: A case study of a Victorian public sector organization. *Issues in Informing Science and Information Technology*, 1, 1017–1026.
9. Indermun V. (2014) Importance of Human Resource Management Practices and the Impact Companies Face in Relation to Competitive Challenges. *Singaporean Journal of Business Economics, and Management Studies*. Vol. 2 No. 11, pp. 125-135
10. Kossek, E.E. (1987). Human Resources Management Innovation. *Human Resource Management*, Vol. 26, pp. 71–92
11. Lepak, D.P., Bartol, K.M., & Erhardt, N.L. (2005). A contingency framework for delivering HR practices. *Human Resources Management Review*, 15, 139–159
12. Marler, J. H. & Fisher, S. L. (2013) an Evidence-Based Review of e-HRM and Strategic Human Resource Management, *Human Resource Management Review*, 23(1): 18-36
13. Nawaz, A. and Kundi, G.M. (2010), “Digital literacy: an analysis of the contemporary paradigms”, *Journal of Science and Technology Education Research*, Vol. 1 No. 2, pp. 19-29
14. Obeidat, S. (2015). The Link Between e-HRM Use and HRM Effectiveness: An empirical study, *Personnel review*, 45(6): 1281-1301
15. Krishnakumari, S., Subathra, C., & Arul, K. (2022). A descriptive study on the behavior of students in online classes during COVID-19 pandemic. In *AIP Conference Proceedings* (Vol. 2405). American Institute of Physics Inc. <https://doi.org/10.1063/5.0073115>
16. Van Heerden, J. (2011). The impact of the implementation of e-HRM on the human resource management function. MBA, Faculty of Business and Economic Sciences, Port Elizabeth: Nelson Mandela Metropolitan University