

Digital HRM Prospects and Challenges: Role in the Improvement of Worker Behavior

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ABSTRACT

The study's goal is to learn how HRM is impacted by the advent of digital technology. The idea is to examine the expanding responsibilities of HRM in a period of fast technological development. Human capital, along with intangible resources and expertise, is gaining recognition among researchers as an important factor in establishing a competitive advantage via digital transformation. When a firm has ownership of its assets, such assets are seen as commodities or in-house expertise that may be used to gain a market advantage. One hundred people working in Bangalore's IT sector were chosen using a basic random selection method. Qualitative methods were used in conducting the survey. The survey asked respondents to weigh the pros and cons of HRM's increasing digitization. The data may be subjected to a content analysis in order to help us identify the overarching concepts at play here. Despite digitalization's extensive effect on regular operations and practises, especially in terms of potential, HR's participation in supporting the digitization plan gets less focus.

Keywords: HRM, digitisation, digital transformation, prospects, challenges

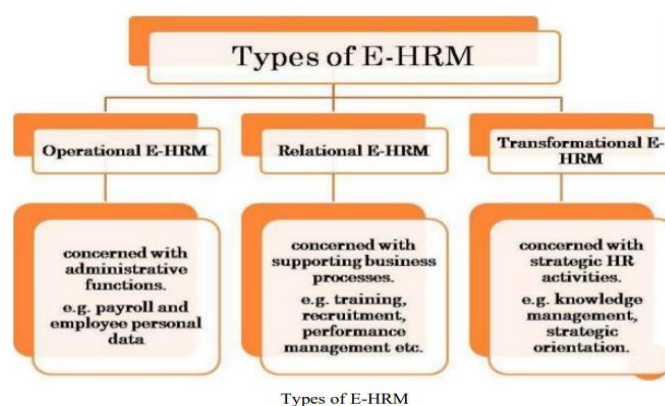
INTRODUCTION

"Digital transformation" adapts company methods, activities, and structures to the digital domain to take advantage of technology improvements. Digitalization is vital in India. Some estimates say Indian companies are ready for the information age. Digital transformation might boost Indian corporate income by \$16.9 billion between 2022 and 2025. Studies show (Cabral, 2017). Human resource management (HRM) and employee working lives (which will be altered by digital technologies) will play increasingly essential roles as they gain significance (Parry & Strohmeier, 2014). Digital transformation initiatives should be described by their corporate effect. New technology changes goods, operations, and other elements of a company. Digital transformation initiatives affect business practises greatly (Matt et al., 2015). HRM is vital to an organisation since it advocates for employees and acts as a strategic partner, like commercial partnerships and administrative experts. Bengtsson and Bloom (2017) remark that digitization is affecting organisations and HR, but very little study has been done on how HR managers see digitalization. This study adds HR managers' insights to the previous literature. This report adds to the discourse by highlighting the most significant digitalization issues. This region hasn't had enough study (Liu et al, 2011).

E-HRM is regarded as the finest method for executing HR policies and plans within a company while utilising all available web-based channels. E-HRM has grown in popularity as a result of its use of web technologies as opposed to conventional HR processes. E-HRM is a new area of technology that is rapidly gaining traction in businesses all around the world. E-primary HRM's goal is to transform HR operations into transactions that are paperless, more adaptable, and resource-efficient. With the state of IT in the world today, HRM has improved through the use of E-HRM

technology, and it has the ability to completely alter the way traditional HRM activities are carried out. To better grasp this, consider the role of recruitment, where job openings can be publicised online and applicants can submit applications for the same positions.

E-HRM will make it simple for employees to check salary and bonus information and to look for information about bonus programmes when it comes to compensation and benefits. From the perspective of the employees, traditional HRM was not very effective, thus implementing E-HRM will benefit both the employers and the employees. Some HR procedures must be reengineered when a firm deploys a new E-HRM system in order for the EHRM system to be more efficient. Such reengineering techniques are used to convert manual HR processes to electronic forms. To ensure that modifications are approved by the stakeholders and the process can really be aligned with the new system, reengineering should start before selecting the software system. Employee education on the new system is necessary for them to grasp how it alters company processes, making training and education an essential part of managing change itself. Education is the spark that raises user knowledge to the point where they can rapidly and thoroughly become accustomed to the new EHRM system. The management of people and their expectations, resistance to change, confusion, redundancies, and blunders are all aspects of managing change within an organisation that might be a full-time job in and of itself. To ensure no barriers obstruct or delay the progress, top management must authorise and assist the relevant parties consistently throughout the implementation stage of E-HRM.



To strengthen a company's competitive advantage, Miles and Snow (1994) suggested a "strategic fit" between external needs and internal talents and resources. This measure was performed for "strategic fit," If a firm wants a digitally savvy staff, it must prepare its HR department early. To do so, predict the company's abilities and assets and create goals to accomplish them. Human Resources finds and hires employees with the relevant IT capabilities for the position. Setting digital transformation objectives is the first step to achieving digital transformation goals. Since each organisation has various aims, the manner they evolve is varied.

HRM is adaptive, argue Hays and Kearney (2001). They emphasise that technology has rendered many traditional approaches to human behaviour obsolete. Modern HR managers must preserve traditional practises while organising data and learning computer languages (HR Information Systems - HRIS). HR technology alters data access, editing, transport, and storage. MIS without HR MIS is useless (HRIS). HRISs analyse employee and HR data (HR Information System). Modern HRIS systems automate many HR tasks, which benefits companies. HRIS's ability to gather and display decision-making information makes it a powerful planning tool (Nagendra & Deshpande, 2014). HRIS has enhanced HR management.

Becker and Huselid (2006) say HRM emphasises organisational performance and helps businesses solve problems. Well-managed HR may provide a firm a competitive advantage (Schroeder, 2013). Payne (2010) says that if HR management doesn't reform, senior management may perceive HR as a waste on business resources.

The digital revolution affected HR's position and employees' skills and expertise, according to Bell et al. (2006). Larkin (2017) expects that digital technology will revolutionise HRs in every firm globally. Digitalization's influence on HRM goes beyond easing administrative processes. Some other studies (Aggrawal, N. Kumar, 2021), (Sharma, M. & Kumari, 2021) suggest, as technology has improved, the HR department's duties have increased to include connecting HR strategy with digital business objectives.

Kassim et al. (2012) found that HRIS boosts HR professionals' agency. Note: This new function may help HR departments. HR now has a new IT tool that may help them serve the organisation better (Ulrich, 1998). Kassim et al.

(2012) say HRIS can increase data quality and timeliness by automating manual operations. An further way to identify HRIS's influence is needed. HRIS systems save time, allowing HR to focus on strategic issues and execute change programmes.

Westerman and Bonnet contend that digital technology has changed how organisations communicate with clients, operate operations, conceptualise business models, and organise themselves (2015). This approach integrates social networks, applications, data analytics, and cloud computing to transform how firms function (Kane et al., 2015). Modern organisations must utilise digital technologies for survival and competitive advantage (Bharadwaj, 2000). According to Palmer et al. (2017), HRM in the electronic era has expanded and become more client-centered. HR experts must offer young people fresh career possibilities to keep them engaged in their sector. Digital change is challenging traditional HR management in enterprises.

METHOD

This poll contains 100 IT HR specialists from the Indian city of Bangalore. 100 businesses were randomly chosen from the population. A predetermined-answer questionnaire was utilised to study data sharing's impact on HRM's most essential component. The researcher sent a permission form and survey before interviewing sample individuals.

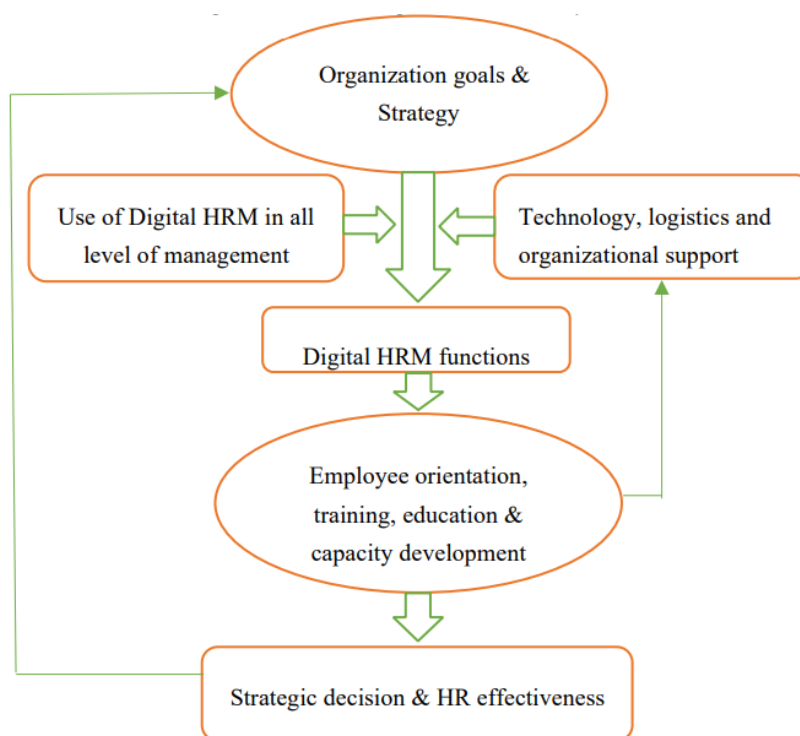


Figure 1: Proposed Model of Digital HRM

INTERPRETATION AND DISCUSSION

The results of the topic analysis suggest that when considering digital transformation, HR managers tend to choose one of two main tacks. This list is then broken down into two subsets, including themes and underlying themes. Opportunities to aid the digital transformation age are considered in the first strategy, while the difficulties encountered by businesses in their attempts to become digital in the second.

As may be seen in the table (n = 100) below, the data acquired using the survey method can be displayed in tabular form.

Themes	Sub-themes	Yes	No
Digitalisation	Do you believe that HR plays a significant role in the implementation of a digital transformation strategy?	34	66
	Do you believe that digital transformation will help the organisation gain a competitive advantage?	76	24
	Do you believe that digital transformation has an impact on e-learning?	88	12
	Do you believe that digital revolution affects the simplicity of documentation?	94	6
Prospects	Do you believe that digital transformation affects speed?	89	11
	Do you believe that digital change affects communication ease?	91	9
	Do you believe that digital transformation has an impact on simplicity?	91	9
	Do you believe that digital transformation will result in reduced paper work?	96	4
	Do you believe that digital transformation impacts will become more accessible?	99	1
	Do you believe that digital transformation affects better planning?	80	20
Challenges	Do you believe that the cost of software and upgrades is an obstacle to digital transformation?	52	48
	Do you believe that a lack of human touch is a hindrance to digital transformation?	39	61
	Do you believe that security concerns are impeding digital transformation?	47	53

Digital HRM had a lot of problems, but the presentation's numerous pros outweighed them. The use of communication and information technology has had a mixed impact on corporate operations, the bottom line, ease of doing business, and time and effort required to execute activities. Most firms use modern technology. Businesses have profited from technology advances, yet public data may be stolen and misused. People's preconceived beliefs of how things should be done may impede digital HRM implementation. To profit from computerised HRM, workers and managers must change their thinking.

CONCLUSION

Digital transformation reorganises a company's processes, hierarchies, and organisational structures to employ new technology. The report questioned HR managers how they use HRs information systems. Engaged HR managers perceive digital transformation as a chance to improve worker services, but HR's role in executing the plan is overlooked. According to this survey, all digitally transformed organisations use e-learning platforms significantly.

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