

ROLE OF DIGITALIZATION IN HUMAN RESOURCE MANAGEMENT

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Abstract: *The world has undergone far reaching cultural, societal and economical changes based on the increasing dominance of digital technologies. In sum, these changes have led to the current period being characterized as the “digital age”. In line with these changes, digital technologies play an increasingly prominent role in both the lives of employees and human resource management (HRM), which seems to be affected in multiple ways. This special issue focuses on the impact of these changes on HRM, in relation to changes to the workforce, to HRM in general and more specifically to the use of technology in delivering HRM activities. It is a well-known fact that digital India is the outcome of many technological advancements and government initiatives towards creating an empowered India in terms of better governance, transparency, fast value delivery process and developing competency in an emerging world. These strides towards digital India has put Indian people at competitive place in terms of digitalized governance in the world after achieving great heights in terms of space, medical, innovation etc. The 'Digital India' programmed an initiative of honorable Prime Minister Mr. Narendra Modi, will emerge new progressions in every sector and generates innovative endeavors for geNext. HR is not treated as a single function. It's a collection of highly specialized capabilities each with distinct objectives, tasks and needs. There is an ever-increasing pressure on Human Resource (HR) function to support strategic goals and to focus on value adding activities. Organizations have realized the growing importance of using Information Technology (IT) in leveraging their Human Resource (HR) functions. The digitalization revolution relies on cutting edge information technology, ranging from Internet-enabled Human Resources Information Systems (HRIS) to corporate intranets and portals. The driving forces are intensifying competition, need to manage workforce on a global level, to improve HR service delivery and to bring cost savings. After introducing digitalization the work of HR department totally changes they worked more effectively as well as minimum cost. And they are satisfied their function. Digitalization is helpful in recruiting and training also.*

Keywords: *Digitalization, Human Resource Management (HRM), E- Recruiting, Human Resource Information System (HRIS)*

Introduction

Human resource is such an important department that we cannot afford to do without in any business. It is the hub of recruitment, development and custody of talents where each talent is fetched from when needed. All these years, this busy department has been run manually. Ask the retired human resource managers how it was like and you will learn that the struggle was real.

Today, with the increased pace in the market and with technology taking over everything else, there is a need to digitalize our systems. We all cannot close our eyes to the reality that we are living in a time when technology has taken over everything and our business modules have had to change to accommodate the new technology. This can be well seen in development that has taken place in communication being one of the key sectors in every business. So many new platforms of communications have been developed such that we are lost for choice. This should be so for every other sector; we cannot afford to see some develop while others remain in stone-age and one of it being the Human Resource Department. For startup businesses coming up today, it is wise to adopt the digital HR early in life to avoid going through the long tiring way that older businesses are going through. Had this technology come early in life, many businesses would not be where they are; they would have excelled better.

Digitalization

Digitization is the process of converting information into a digital (i.e. computer-readable) format, in which the information is organized into bits. The result is the representation of an object, image, sound, documents or signal (usually an analog signal) by generating a series of numbers that describe a discrete set of its points or samples. The result is called digital representation or, more specifically, digital information, for the object, and digital form, for the signal. In modern practice, the digitized data is in the form of binary numbers, which facilitate computer processing and other operations, but, strictly speaking, digitizing simply means the conversion of analog source material into a numerical format; the decimal or any other number system that can be used instead.

Digitization is of crucial importance to data processing, storage and transmission, because it "allows information of all kinds in all formats to be carried with the same efficiency and also intermingled". Unlike analog data, which typically suffers some loss of quality each time it is copied or transmitted, digital data can, in theory, be propagated indefinitely with absolutely no degradation. This is why it is a favored way of preserving information for many organizations around the world.

Human resource management

Human resource management (HRM or HR) is the management of human resource. It is designed to maximize employee performance in service of an employer's strategic objectives. HR is primarily concerned with the management of people within organizations, focusing on policies and on systems. HR departments are responsible for overseeing employee-benefits design, employee recruitment, training and development, performance appraisal, and rewarding (e.g., managing pay and benefit systems). HR also concerns itself with organizational

change and industrial relations, that is, the balancing of organizational practices with requirements arising from collective bargaining and from governmental laws.

HR is a product of the human relations movement of the early 20th century, when researchers began documenting ways of creating business value through the strategic management of the workforce. It was initially dominated by transactional work, such as payroll and benefits administration, but due to globalization, company consolidation, technological advances, and further research, HR as of 2015 focuses on strategic initiatives like mergers and acquisitions, talent management, succession planning, industrial and labor relations, and diversity and inclusion.

Human resources focuses on maximizing employee productivity. HR professionals manage the human capital of an organization and focus on implementing policies and processes. They can specialize on recruiting, training, employee-relations or benefits. Recruiting specialists find and hire top talent. Training and development professionals ensure that employees are trained and have continuous development. This is done through training programs, performance evaluations and reward programs. Employee relations deal with concerns of employees when policies are broken, such as in cases involving harassment or discrimination. Someone in benefits develops compensation structures, family-leave programs, discounts and other benefits that employees can get. On the other side of the field are Human Resources Generalists or business partners. These human-resources professionals could work in all areas or be labor-relations representatives working with unionized employees.

In startup companies, trained professionals may perform HR duties. In larger companies, an entire functional group is typically dedicated to the discipline, with staff specializing in various HR tasks and functional leadership engaging in strategic decision-making across the business. To train practitioners for the profession, institutions of higher education, professional associations, and companies have established programs of study dedicated explicitly to the duties of the function. Academic and practitioner organizations may produce field-specific publications. HR is also a field of research study that is popular within the fields of management and industrial/organizational psychology, with research articles appearing in a number of academic journals, including those mentioned later in this article.

Some businesses globalize and form more diverse teams. HR departments have the role of making sure that these teams can function and that people can communicate across cultures and across borders. Due to changes in commerce, current topics in human resources include diversity and inclusion as well as using technology to advance employee engagement. In the current global work environment, most companies focus on lowering employee turnover and on retaining the talent and knowledge held by their workforce. New hiring not only entails a high cost but also increases the risk of a newcomer not being able to replace the person who worked in a position before. HR departments strive to offer benefits that will appeal to workers, thus reducing the risk of losing corporate knowledge.

Need of Digitalization

Digitalization is the most essential driver of all businesses in the 21st century. Human Resource is known for the big data it holds. To be able to account for this data manually, it takes long days and the workers in this sector can attest to that. Much information has been generalized and assumed in the manual system and due to this. The company suffers for lack of precise data. We cannot afford to close our eyes to the technology that has become so common. The best we can do is to get aboard and come up higher to make technology work for us. We have become so accustomed to getting everything manually done that getting software to work on our behalf kind of scares us. This is why technology is invented, to completely eliminate the work that we manually do and in return help us accomplish more than we could ever accomplish on our own. Technology is here to stay and the best we can do is get on board and learn from it now before it grows too much and we are not able to catch up with it. Fear of failure and making mistakes, especially in business can keep you enslaved for the longest time. Establishing a new easier way to manage this data is a sign of relief for many individuals and companies. This can only happen through digitalization of the Human Resource Department. Digitalization of this sector will help the HR workers to ascertain specific details that help them improve in their decision making over the management of people. This in return will feed the company with accurate information that will help in achieving the set objectives.

Virtual Human Resources

Technology has a significant impact on human resources practices. Human resources is transitioning to a more technology-based profession because utilizing technology makes information more accessible to the whole organization, eliminates time doing administrative tasks, allows businesses to function globally and cuts cost. Information technology has improved HR practices in the following areas:

E-Recruiting

Recruiting has mostly been influenced by information technology. In the past, recruiters had relied on printing in publications and word of mouth to fill open positions. HR professionals were not able to post a job in more than one location and did not have access to millions of people, causing the lead time of new hires to be drawn out and tiresome. With the use of e-recruiting tools, HR professionals can post jobs and track applicants for thousands of jobs in various locations all in one place. Interview feedback, background and drug tests, and onboarding can all be viewed online. This helps the HR professionals keep track of all of their open jobs and applicants in a way that is faster and easier than before. E-recruiting also helps eliminate limitations of geographic location. Jobs can be posted and seen by anyone with internet access. In addition to recruiting portals, HR professionals have a social media presence that allows them to attract employees through the World Wide Web. On social media they can build the company's brand by posting news about the company and photos of fun company events.

Human Resources Information Systems (HRIS)

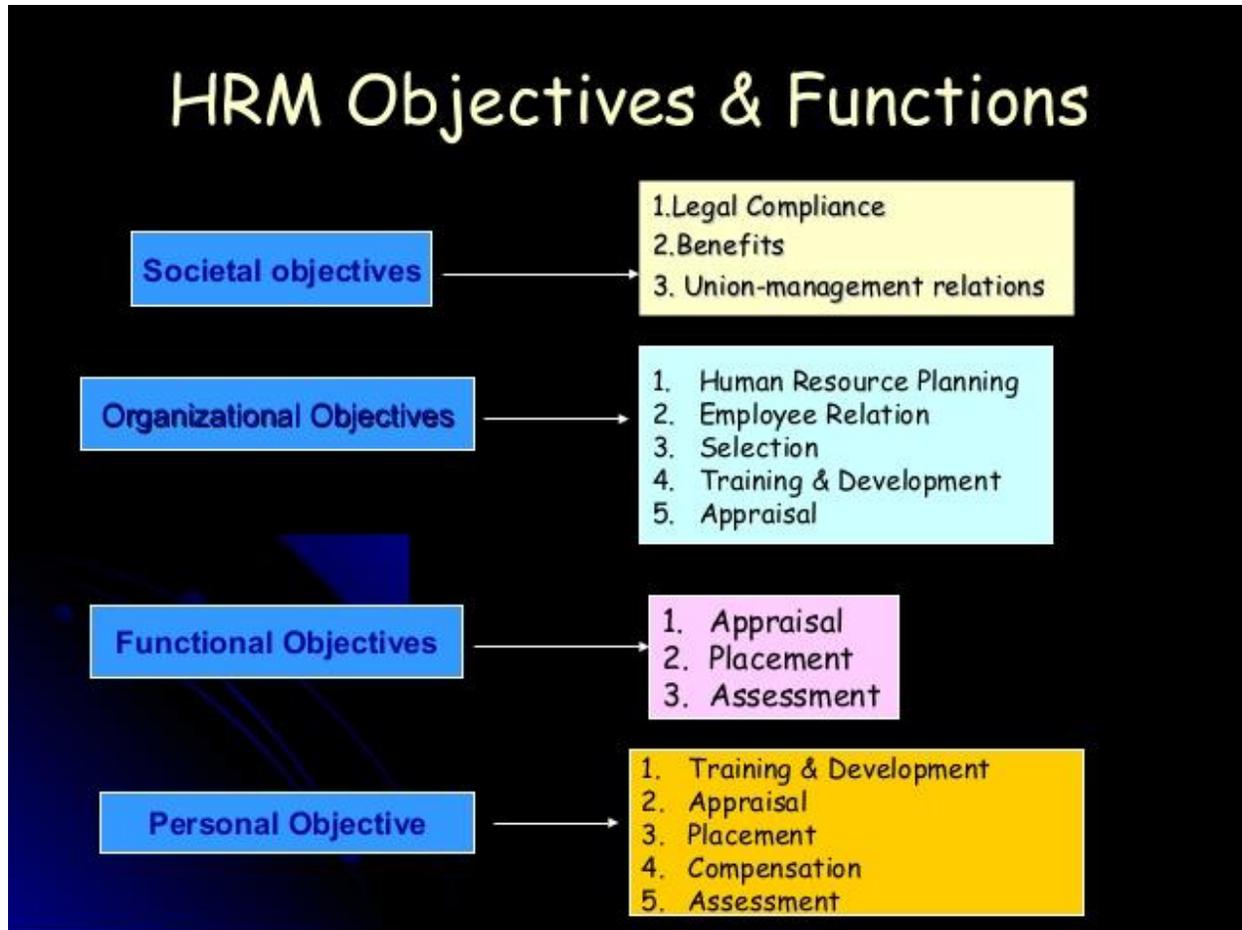
Human resources professionals generally process a considerable amount of paperwork on a daily basis. This paperwork could be anything from a department transfer request to an employee's confidential tax form. In addition to processing this paperwork, it has to be on file for a considerable period of time. The use of Human Resources Information Systems (HRIS) has made it possible for companies to store and retrieve files in an electronic format for people within the organization to access when needed. This eliminates thousands of files and frees up space within the office. Another benefit of HRIS is that it allows for information to be accessed in a timelier manner. Instead of HR professionals having to dig through files to gain information, it is accessible in seconds via the HRIS. Having all of the information in one place also allows for professionals

to analyze data quicker and across multiple locations because the information is in a centralized location. Examples of some Human Resources Information Systems are PeopleSoft, My Time, SAP, Timeco and Jobs Navigator.

Training

Technology makes it possible for human resources professionals to train new staff members in a more efficient manner. This gives employees the ability to access onboarding and training programs from anywhere. This eliminates the need for trainers to meet with new hires face to face when completing necessary paperwork to start. Training in virtual classrooms makes it possible for the HR professionals to train a large number of employees quickly and to assess their progress through computerized testing programs. Some employers even incorporate an instructor with virtual training so that new hires are receiving the most vital training. Employees can take control of their own learning and development by engaging in training at a time and place of their choosing, helping them manage their work-life balance. Managers are able to track the training through the internet as well, which helps to reduce redundancy in training and training costs. Skype, virtual chat rooms and interactive training sites are all resources that enable a more technological approach to training to enhance the experience for the new hire.

Objectives of Human Resource Management



Some other main objectives of human resource management are as follows

Defining Organizational Structure and Driving Productivity

Human Resource Management is a method to realize competence and drive efficiency in organizational work. Therefore, its chief determination remains in accomplishing organizational goals. It has to benefit organizations by outlining clearly defined aims and achieving them.

Apart from meeting the organizational goals, Human Resource Management also describes the key problems to be taken care of and governs rules and urgencies. It engenders organizational efficacy, by hiring efficient people, training them and effectively employing the workers.

It should also develop the service that organization provides to the society through structuring employee confidence in a positive direction, which is at the front of effectual individual and group performance.

Building Coordination between Organizational Departments

Human Resource Management is responsible for coordination and harmonious functionality within, and between different departments. The resources are organized to achieve business objectives. Also, it is to be made certain that there is functional utilization and all-out growth of human resources.

Human Resource Management should aim at making effective use of the workforce through proper direction of the organizational sectors. This includes refining the conditions for successful outcomes, by making appropriate decisions about human resource planning, recruitment, evaluation, rewards, training and improvement and staff associations that are reliable and sustain the business strategy.

Offering Employee Satisfaction

It has become harder than ever for companies to hire and sustain capable people because of the rising global competition. Add to it, the lack of sufficiently skilled personnel. As such, it becomes an undeniable priority for Human Resource Management to hire and train the right talent. It should be ensured that there is an environment of respect among people in the organization, and individual needs are catered to. The HR strategies, policies and ideas for individual improvement must be cohesive with the organization's strategic goals. It should gratify individual objectives of employees so that personal and organizational objectives can be aligned, conducive to reaching maximum productivity and establishing a certain competitive edge.

Keeping Up With the Societal and Ethical Models

It must be the responsibility of Human Resource management to ensure that legal, ethical, and social environmental issues are suitably dealt with. It must make sure that the human resources are officially and compliantly coped with and their requirements are recognized and fulfilled. It should also consider the societal ethics and undertake social responsibility. It must also try to enhance organization's competitive advantage through social strategies, by pitching in ethically to the necessities and challenges evolving in the society. The societal objectives also involve legal issues such as equal opportunity and equal pay, which should be given due concern.

Research Methodology

The data has been collected from secondary sources from websites, blogs, journals, books etc.

The Digital Transformation Journey

There are a bunch of bright young things (and a handful of older ones) that, off the back of a bright idea, are now empowered to leverage technology and the Internet to create a worldwide phenomenon in a matter of months. Crack the idea, define a business case, crowd source funding add an early audience and develop it to market. Leverage distributed talent pools from anywhere in the world building on shared knowledge and expertise from many that has gone before. Not to suggest it is easy, after all 90% of startups fail.

Yet the entrepreneurs don't fail with them. In the event that a startup produces a minimal viable product, puts it to market and it doesn't have taken up, the learning that are acquired allow the entrepreneur, team and people to pivot, or reinvent into their next iteration. By sharing amongst networks and crowds of people looking to succeed and learn from each other, a pool of talent builds and can become smarter, creating more relevant experience than you might have had without the failure.

The start-up landscape is busy promoting, motivating, inspiring and acquiring digital talent that most large companies simply cannot. It is this talent that is taking stripes of the incumbents as they create, innovate, explore, challenge and simply don't care too much for the status quo.

Digital talent inspires change in the right structures where new ways of working, leveraging technology to create and innovate and increasing speed and agility differentiates. What, therefore must HR consider and do in order to leverage more digital talent along the digital transformation journey:

Create a contemporary culture

Digital talent is looking for purpose, fun, agility, and momentum towards something rewarding. They're not after the gold watch and lifelong position. They are curious and exploratory and don't want to be stuck in a box. They also have super high expectations of experience; don't expect them to stay if infrastructure and governance don't allow them to make a difference and be heard where it matters.

Look wider and open up

Crowds, networks and influencers live throughout any sectors ecosystem. Provide the means and the impetus to connect, transfer, co-develop and co-create ideas and business gain. Furthermore, some of the best talent doesn't want to come and work for you, sit at a desk or for that matter spend any length of time in one place. Allow project teams to form leveraging online platforms to manage and connect skills underneath leaders who are empowered to resource accordingly.

Avoid departmental approaches

Digital is not a department. Digital is not a department any more than it is a silver bullet, or something that should be filtered or even worse bottle necked through a single role such as a chief digital officer. Develop plans for digital talent to be distributed throughout the organization.

Encourage resourcefulness

The answers are out there, just Google it. Train people to find out what they need to know and where to find it. Encourage resourcefulness as many of the digital skills that can be learnt can be done so flexibly online through personal motivation. Using platforms well is merely the start; it's the behaviours that using them effectively and efficiently and the empowerment they provide to connect and network that will make the difference.

Empower cross functional learning

A culture that celebrates when something goes wrong rather than persecutes, is healthy when the wrong is turned into learning. Leverage and create the means to transpose learning across teams and functions. Provide a positive framework for this learning to inform people in getting better, sharing best practice and the means to resolve issues and prevent recurrence.

Explore reverse mentoring

Digital natives bring the rest with them through programs of reverse mentoring. The digital immigrants will benefit from time spent coming to understand not only how the natives behave but the understanding of digital platforms, tools, techniques and means that they utilize to connect, network and converse.

Celebrate the social qualities of digital

It's called social media for a reason; it's about humans connecting, sharing and being social with one another. Rather than preventing these behaviours, celebrate their ability to bring people together for business gain. Allow people to be social using digital, to chat informally, to arrange social meet-ups, to connect and build friendly and personable relationships with each other and the organization's customers.

Lead from the front

Old world HR portals, holiday booking, contract provision? Become digital leaders ourselves to inspire the journey by becoming advocates for new and improved digital ways of working. Introduce them from induction through to the way the c-suite communicates. Become a digital first HR department and lead the way.

Conclusion

The purpose of Human Resource Management lies in successful utilization of people to attain specific as well as organizational goals. This includes both the personnel (i.e. Hiring employees and upholding employee information); and payroll function (retaining the employee information associated with employee payment). Human Resource Management typically means to engage, improve and preserve sufficiently capable employees, to implement the activities essential to achieve organizational aims. The main objective of human resource management is hiring capable or right person for right work. Digitalization also plays an important role in Human Resource Management i.e. hiring employees and upholding employee information, recruiting, training, identifying their achievements. While a broader discussion and categorization of digital changes of HRM is missing at present, reviewing the literature yields three focal areas that might be briefly labeled as "digital employees", "digital work" and "digital employee management".

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