



“A STUDY ON DIGITALISATION IN HUMAN RESOURCES WITH HELP OF SOME EXAMPLES”

Mosam Doshi

*Student, Faculty of Management,
GLS University, Ahmedabad, Gujarat, India
Email id: mosamdoshi27@gmail.com*

Dr. Aneri Shukla

*Assistant professor, Faculty of Management,
GLS University, Ahmedabad, Gujarat, India
Email id: aneri.shukla@glsuniversity.ac.in*

ABSTRACT:

Nowadays the latest trend is digitalisation in every sector be it Finance, marketing, Human Resources, etc. Here this paper will have some brief about Digitalisation in Human Resources and see some examples of some companies who are practicing this. Digitalisation means creating a culture where technology is used to run a business. Digital HR is a process wherein social media, cloud technologies, analytics, mobile, etc. are used to make HR more efficient, connected & effective. Digitalisation in HR can be seen in recruitment, performance management, compensation, onboarding, training & development, etc. As it is said that there are pros and cons of everything. So here also it is observed that there are some disadvantages in using technology in HR such as lack of budget or tremendously high priced softwares, security breach, lack of expertise, lack of agility in upgrading, etc.

KEYWORD: *Digitalisation, Human resources, various HR practices, tools used for digitalisation, HR trends, Examples of digitalisation in HR*

PURPOSE:

- To find the prerequisites for digitalisation in human resources
- To understand the advantages of digitalisation and challenges faced in application of digitalisation in HR
- To identify various HR practices wherein digitalisation can be possible
- To list out different tools available in market for application of digitalisation in HR

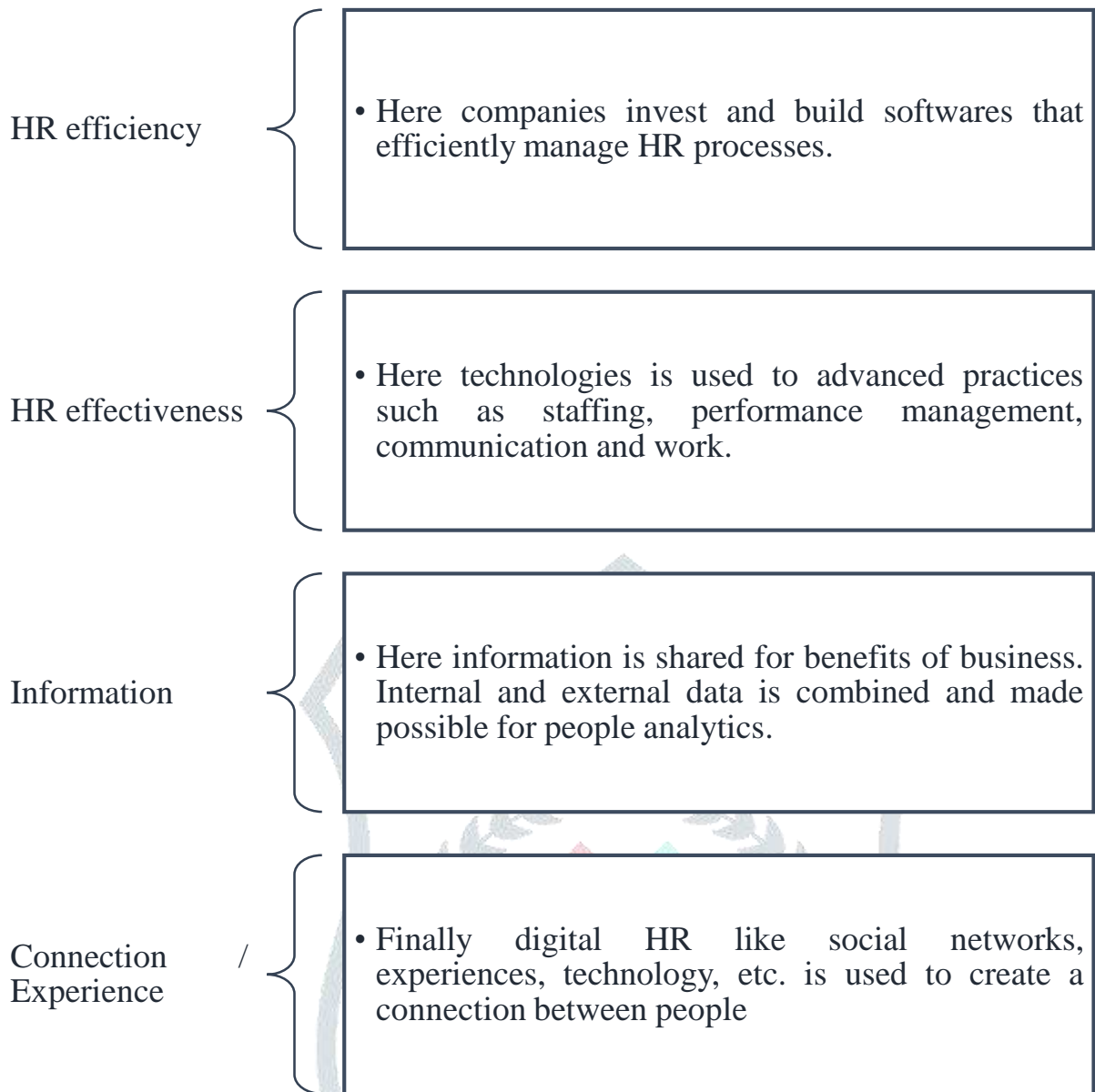
METHODOLOGY:

- Descriptive research design was used. In a descriptive design, a researcher is solely interested in describing the situation or case under their research study.
- **Secondary data collection method was used:** The study consists of review of articles and journals cited in the databases such as shrm.org, Sage, Science Direct, Springer link, toolbox.com, Deloitte Insights on HR and Technology. Also analysing of literature, drawing the findings and further research directions was done. To achieve the stated purposes and answer the research questions, a systematic review of literature was conducted. On the basis of literature, a conceptual framework was also formed and further detailed explanation is done in this paper.

INTRODUCTION

First let's start with knowing what digitalization is. So basically in simple word digitalization means conversion of text, pictures or any type of data into a digital format which can be processed by a computer. Now further elaborating, digitalization is the use of digital technologies and digitized data to influence how work gets done, transform how customers and companies engage and interact, and create new income streams digitally. It's all about technology, data, process, and organizational change.

- According to Dave Ulrich, the digital HR journey of any company involves four phases:



Why Undertake Digital Transformation in HR?

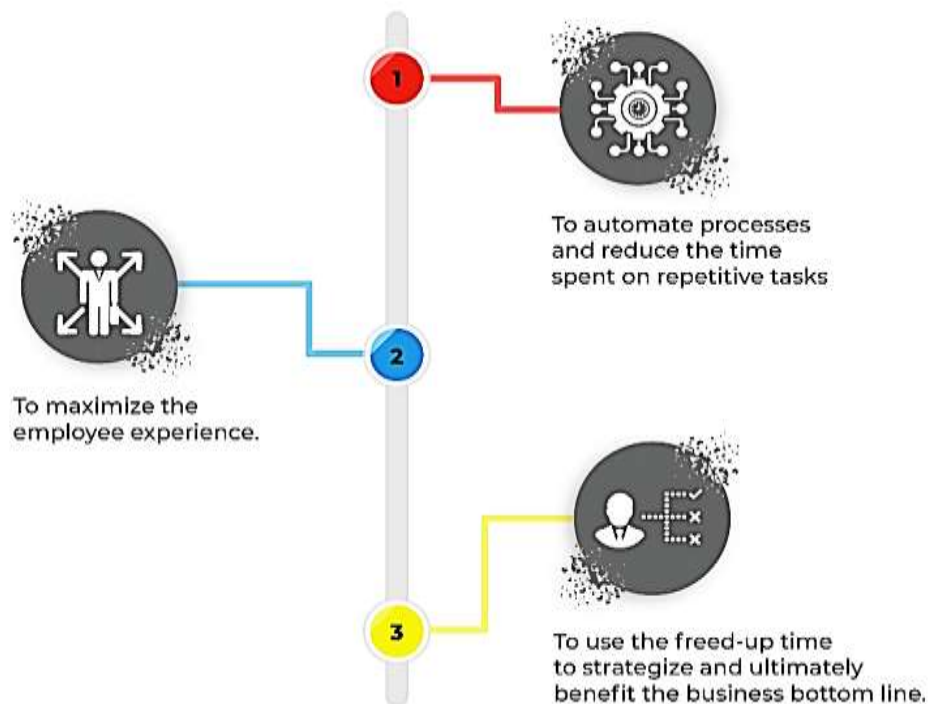


Figure 1

- Various HR management portals are excellent tools to improve employee's engagement within the company and makes their experience worthy. This sort of tools includes everything which an employee might need like access to file complaints, pay slips, apply for leave, manuals, contract, task sheet, performance sheet, corporate calendar of events, list of holidays, etc.

Some of the portals are as follows:

- Performance management tools like impraise provides HR and employees with a digital feedback experience.
- Applicant tracking system helps HR in automatically filtering out the bad or unsuitable candidates using keywords and data.
- Instead of manually walking every new hire through a bunch of onboarding paperwork, onboarding software completely automates and digitizes the process.
- Succession planning systems can carry data on employee performance, personal career goals, and organizational skills gaps to give teams more information to help in their promotion decisions.

LITERATURE REVIEW

(Samson, 2020), conducted a research on effectiveness of digitalization in hrm and its emerging trend. It was concluded that digitalization enables HR professionals to attract better talents, keep close track on employees' performance, anticipate their training needs in order to be proactive, encourage engagement by identifying and acknowledging each employee's potential.

(Maria, August 2020), conducted a research on digitalization of HRM and a study of success factors and consequences in the last decade. In order to classify the factors that determine the success of the digital transformation of HRM, TOP model developed by Bondarouk et al, (2017), was used. Based on this analysis, it was concluded that digitalization is becoming increasingly important for HR function. The latter, in fact, has the possibility of simplifying, accelerating and economizing the activities it is performing. However, these positive consequences of digital transformation need to be weighed against other negative implications, such as data security concerns or employees' proper learning to use digital tools.

(Ardelin LUMI, 2020), conducted a research on the impact of digitalization on human resources development. It was concluded that the recruitment and selection process has changed, with digital platforms, international connections, globalization, social networks and many other aspects that have influenced, training and digital forms of communication have shown its importance even in crisis and pandemic situations.

(Dr. Roberta Fenech et al, 2019), conducted a study on the changing role of human resource management in an era of digital transformation. The result of the thematic analysis shows two main approaches to thinking about digital transformation by HR managers. The main themes are: HR Planning; Recruitment and Selection; Reward Management; Performance Management; Employee Relations; Culture; Health and Safety; Training and Development. The widespread use of E-learning is a finding in this study that spans across all organizations that have and are experiencing digital transformation.

(Shawn Mike, August 2019), published an article on how is Human Resources evolving with Technology? According to the article, Bridging the Communication Gap, Ease in Analyzing Employee Data (Software programs and applications make the task of analyzing employee performance data simpler and less complicated), Easier recruitment (Companies have automated screeners that detect skills on a candidate's resume), Increasing Efficiency (the data is recorded more systematically and is readily available if one needs it) and Security Concerns are the main digital advancements in HR.

(Tanvi Rana, January 2019), conducted a study in her research titled 'Digitization of Human Resource Practices- An Emerging Trend' about need, current role and working and fruitful execution of digital transformation in the HRM practices in India. The findings of this evaluation appeared to indicate that lots of the studies targeted on the relevance and fee of e-HRM for the hr department and personnel.

(Hafinas Halid et al, 2019), conducted a research to know the relationship between digital human resource management and organizational performance. The results show that the following elements were required to make a transformation in HRM: Digital workforce (the organization needs to be digital in order to engage with digital employee), Digital work and task (Organizations need to integrate digital elements into work processes and changing routine manual work into digital work), Digital support management (digital technologies to support HRM activities such as payroll processing, performance management, training and development and etc) .

(Neeraj, 2018), conducted a research to study the role of digitalization in human resource management. It was concluded that reviewing the literature yields three focal areas that might be briefly labeled as “digital employees”, “digital work” and “digital employee management”.

(Mr.Eshan M R et Dr. Binoy T A, 2018), conducted a research to study the role of digitalization in human resource management in star category hotels. It was found that the advance technology in HRM will lead to reduction in cost of stored Data in HRM department, saving of Time and reduction in duplication of efforts, more transparency in the system and the employee can develop their skills, knowledge and career by following updated innovative digital practice.

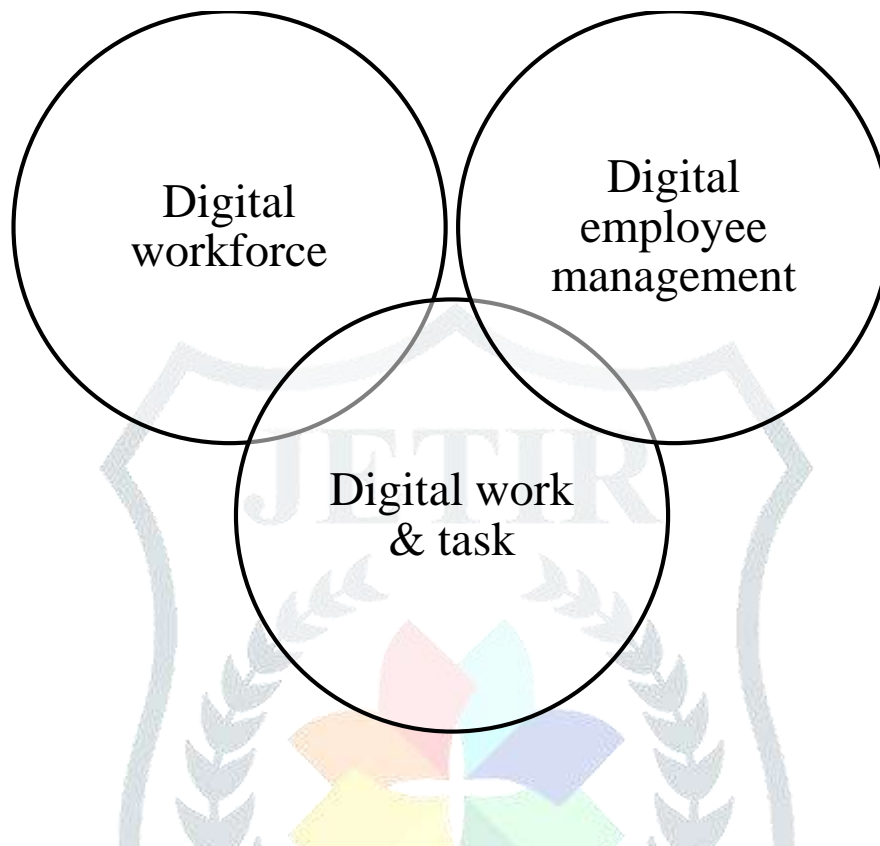
(Hazel Davies, 2018), in a article titled “Innovations in HR management” stated some very interesting innovative HR practices used by HR managers like: Recruitment chatbots (Chatbots are helping recruiters focus on other administrative tasks, asking screening questions, answering FAQs and streamlining the process), Employee engagement software (Eg. software like Culture Cloud, a suite of apps and services designed to work together to help people thrive at work), Gamification, Peer-to-peer recognition (With ‘Thanks box’, for example, employees can give special thanks, nominate others for awards), Mental health coaching, etc.

(Roma Tripathi et Pooja Kushwaha, 2017), conducted a study on innovative practices in digital human resource management. Recruitment and selection through social networking websites like Facebook, LinkedIn, Glassdoor, Skype (video conferencing) etc. as a recruiting tool. Also a Compensation administration software is a must as it integrates compensation management, job evaluation, pay structure, salary surveys, salary planning, electronic market pricing, incentive compensation, team and individual recognition, etc.

(Dr Anita Sharma, 2015), conducted a research on role of digitization in HR. The data was collected from 100 respondents in Jaipur city via a Questionnaire. The main objective was to find impact, awareness & future of digitization in HR. The study concluded that digitization in HR helps in recruitment, selection, training, bright future of employees & reducing cost of production.

CONCEPTUAL FRAMEWORK

Requirements for Digitalization

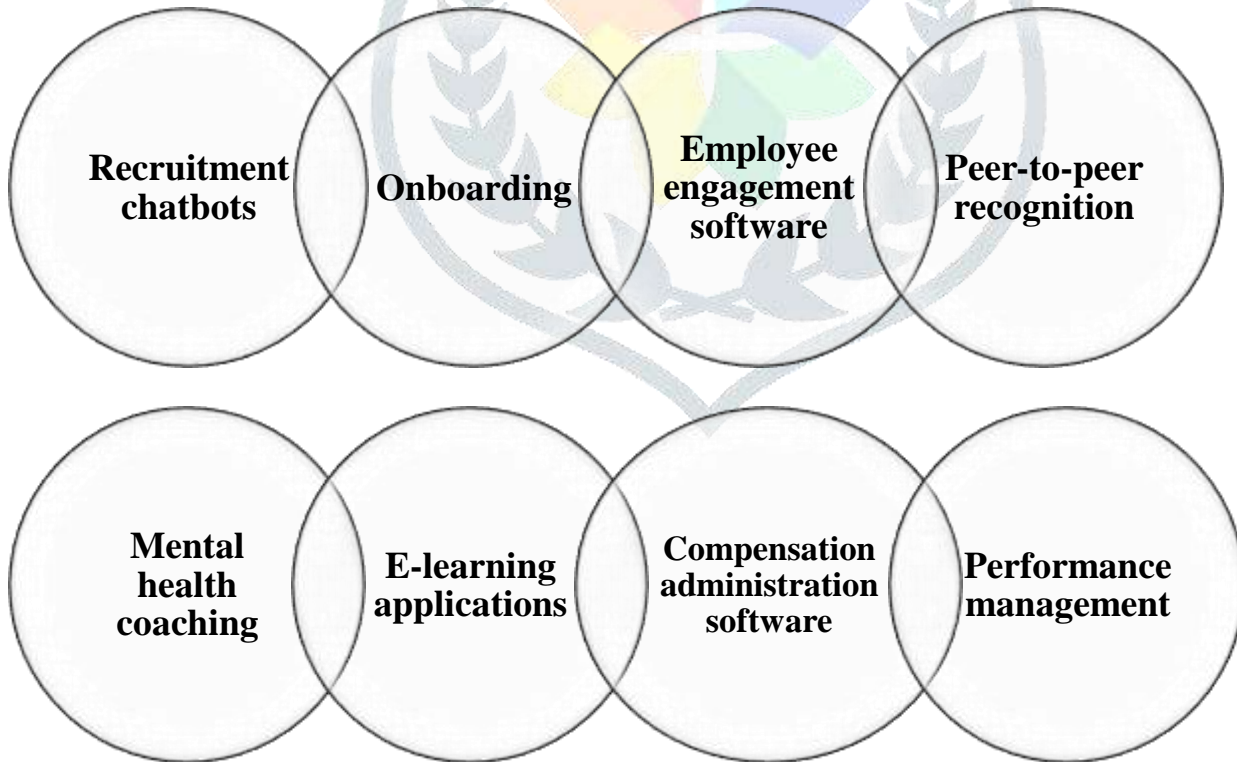


<u>Advantages Of Digitalisation</u>	<u>Challenges Of Digitalisation</u>
It attracts better talents	Negative implications such as Data security concerns
Automation frees up time for the HR professional.	Employees improper learning to use digital tools
Encourages engagement by identifying & acknowledging employees potential	Relevance & high fees of digital softwares & e-hrm for HR department
International connection & globalisation via e-recruitment	Every time HR personnel can't depend on it to analyse employees personality, zeal for the job or their soft skills
E-learning (training) saves cost and hassle of arranging it physically	

HR Practices



Tools Used For Digitalisation



EXPLANATION OF CONCEPTUAL FRAMEWORK

REQUIREMENTS OF DIGITALIZATION:

1. **Digital workforce:** The old quote “change is the only constant” is truer today than ever. Expect change. If the organization is on its way to digital transformation or has already digitalized operations in HR and if employees or HR managers are not efficient enough to handle digitalisation or don't have enough knowledge regarding use of technology, softwares, etc. than this sort of digital transformation is a huge blunder or failure. So for digitalisation, digital workforce is crucial need.
2. **Digital work and task:** Organizations need to integrate digital elements into work processes and changing routine manual work into digital work. Employees seek purpose to what they do at work and will be reluctant to use new technology if the work itself or content on the apps they communicate with is not engaging enough, relevant and motivating. Organizations also need to use digital tools and media to connect and communication with employee.
3. **Digital support management:** This involves planning, implementing and using digital technologies to support HRM activities such as onboarding, recruitment, payroll processing, reward and compensation, performance management, training and development and etc.

TOOLS USED FOR DIGITALISATION:

RECRUITMENT & SELECTION:

- Digitalisation in Recruitment and selection includes all those process from posting job requirements, sourcing out CV and to finally select & appoint them. This can include **E-sign and self-service applications** which allows a jobseeker to complete their job application fully online or by mobile app. **Video communications** software such as Zoom, Cisco, Microsoft teams, and Skype make it easier than ever for remote teams to connect and align on projects and tasks. **Job hiring platforms** like Indeed, Shine, glassdoor, etc. have streamlined the process of finding and hiring freelance or contract workers.
- **CHATBOTS** like Wade and Wendy, where Wade helps employees with their career strategies & opportunities in the company whereas Wendy talks with candidates and helps them understand the company's culture, job opportunities, and hiring process. Firstjob's chatbot Mya can eliminate up to 75 percent of the questions people have during the recruiting process. IBM supported use of CHIP (Cognitive Human Interface Personality), a cognitive assistant that can handle a wide range of HR-related questions. CHIP is an intelligent chatbot (available through computer, text messages, and soon voice chat also) that recognizes the 200 most frequently asked employee questions (such as “Tell me about my vacation benefits” or “Find me an expert in digital marketing”).
- A **talent management dashboard** gives recruiters and hiring managers a comprehensive overview of their talent pool.

ONBOARDING:

- A reliable onboarding process can improve retention by as much as 82%. Boardon- A 2017 startup lets anyone customize the onboarding experience for each recruit and gain analytics insights into the onboarding process.
- The app, called Embark, helps employees learn about their new jobs, embrace the company culture, and meet their teams online.

EMPLOYEE ENGAGEMENT:

- To engage employees on daily basis, communication tools such as Slack, Workplace by Facebook, Microsoft Teams, and many other such platforms are used.
- IBM has consistently evolved their processes and so now they are supporting AI tools to give team leaders an idea of how their teams are working, helps them in identifying hurdles on the way of performance or retention & evoke them to address them through coaching, recognition, or team building exercises.

PEER TO PEER RECOGNITION:

- Peer to Peer means giving positive feedback to colleagues publicly. Simply it means any coworker whether it be supervisor can praise their colleagues for their good work.
- Kazoo, Kudos, Reward gateway, etc are some of the examples of this type of softwares.

MENTAL HEALTH COACHING:

- Employees now expect companies to look after their holistic well-being, and this includes mental health. According to WHO, every \$1 invested in treating common mental disorders can generate an ROI of \$4 in improved health and productivity. The Spring Health platform does a great job of addressing mental health issues in the workplace. It leverages data for early detection and assists employees with resources on their path to recovery. And, of course, it is HIPAA-compliant.
- A chatbot called Woebot is specifically designed for mental health coaching.

E-LEARNING SOFTWARES/APPLICATIONS:

- Gamification of training and learning uses psychological queues to encourage employees to complete their training and improve their skills.
- Nowadays companies tie up with applications such as Coursera, Upgrad, etc. to help their employees in getting higher education or skills required for their job.

COMPENSATION ADMINISTRATION SOFTWARE:

- In compensation, Glassdoor's Know Your Worth and LinkedIn's Salary were launched which leverages joining vendors such as Salary.com and Payscale, which crowd source compensation data for anyone to see.

- Serving more than 8,000 customers worldwide, Salary.com delivers award-winning CompAnalyst platform streamlines compensation data management and streamlines labor-intensive compensation processes like survey participation and management, salary structure modeling, and pay equity reporting.

PERFORMANCE MANAGEMENT:

- Today's performance management technology enables organizations to let their employees – and managers – give and receive continuous feedback. The software tracks people's progress and gives valuable insights into their progress. This helps managers to support their employees when necessary. It also creates a culture of coaching between peers.

HR TRENDS:

1. **Artificial Intelligence in Recruiting:** AI analyses the sentences and facial expressions of the applicant to see if they'll be a good fit and can reduce hiring discrimination and create a diverse workforce.
2. **HR Technology Remote Work Upgrades:** Signs indicate that the remote work trend will continue even if the pandemic wraps up. In addition to the wide range of tools already available for remote work.
3. **Performance and Wellness Management:** Technology enables supervisors and employees to check in regularly, creating a cycle of expectation-setting and feedback. Employees will be more aware of their performance and supervisors will be able to be more specific in their expectations.
4. **Data Privacy:** HR Technology should keep documents centralized and organized. Meanwhile, functions such as digital signature can keep contracts and payslips secure.
5. **Digital Learning, Training, & Development:**
In short, businesses want platforms where they can share files and resources, automate workflows, and support employees pursuing professional development.

EXAMPLES OF HR DIGITAL TRANSFORMATION

Unilever

- Uses Facebook for job postings
- Online games to assess skills like concentration and short-term memory
- Video interviews
- AI to filter candidates
- An in-person interview with HR-executives and managers is the last step of the process. According to Unilever hiring has become faster and more accurate with 80% of applicants who make it to the final round getting job offers.

Cisco

- The company organizes hackathons to build new HR products – such as the YouBelong@Cisco app and Ask Alex. The former is meant to help new hires and their managers during their onboarding period and the latter is a voice command app that gives quick answers to various HR questions about holiday policy, expenses etc.

IBM

- They built Your Learning system which is a very simple system built on their cloud. It has internal and external everything, whether it is a YouTube video or whether it is a Stanford Business course or an MIT course or an internal course, it is all there.
- This app is personalised just like Netflix. So it knows who they are, knows what they did last time, knows what their career aspirations are and it has a recommendation engine that recommends to them what they should take next.
- Of course being able to use a chat bot that is 24 by 7 on their phone to answer questions and to do transactions for them is amazing. They have right now about 250,000 interactions a month using their HR chatbots and the experience is very, very high and people love it.

Google

- As Googlers work from home, during their usual office operations, employees can sign up for Googler-to-Googler (g2g) classes where Googlers teach fellow colleagues a skill or knowledge about a topic they are passionate about like conducting virtual baking classes, mindfulness sessions, fitness boot camps (and) craft making lessons.
- Google also initiated a 'Virtual Coffee Ninja' programme for Googlers to set up coffee chats via Hangouts to build connections with someone new in the company.

FINDINGS

- It was found that digital workforce, digital work & task and digital employee management are very crucial necessities for digitalization as digitalizing HR will change the nature of work and whole

organization structure. Otherwise it will fail or lead to crash of the company like it happened to Toyota where HR crashed Toyota due to their rigidity towards traditional HR practices.

- It was also found that now-a-days majority of companies uses chatbots, social networks and job hiring platforms for recruitment of employees.
- Even onboarding platforms helps new-comers to learn about their new jobs and embrace the company culture. And even in one research it was stated that reliable onboarding process can improve retention as much as 82%.
- In today's digital era, E-learning or training, Mental health monitoring, Remote work and Performance & wellness management are the major trends for 2021 especially due to pandemic this both factors have become very much important to be taken into consideration.
- Also negative implications such as Data leakage or Data privacy, lack of proper learning for employees to use digital HR tools, heavy charges implied by software companies for HR softwares, etc. need to be taken into consideration and solutions or alternatives should be provided for them.

CONCLUSION

- Nowadays, HR is consistently and rapidly evolving. It has evolved so much from being only a support function to now being assigned as leader for digital transformation in various organisations worldwide. The HR leaders are now being pushed to “be digital” and not just “do digital”.
- Digital transformation process is not at all easy. It is built upon period of time of efforts. Today HR needs to focus more on recruiting suitable talent, experiment with digital applications and softwares, build a satisfactory employee experience, continuously engage employees, etc. A new breed of HR softwares are coming into market which includes mobile apps, AI, gamification and consumer like experiences which helps HR to less the gap in real time.

REFERENCES & BIBLIOGRAPHY

- Samson, H., & Agrawal, V. (2020). Effectiveness of Digitalization in HRM: An Emerging Trend. *Journal of Critical Reviews*, 7(4).
- Mosca, M. (2020). *Digitalization of HRM: a study of success factors and consequences in the last decade* (Master's thesis, University of Twente).
- Lumi, A. (2020). The Impact of Digitalisation on Human Resources Development. *Prizren Social Science Journal*, 4(3), 39-46.
- Fenech, R., Baguant, P., & Ivanov, D. (2019). The changing role of human resource management in an era of digital transformation. *Journal of Management Information and Decision Sciences*, 22(2), 1-10.
- <https://www.hrtechnologist.com/articles/digital-transformation/how-is-human-resources-evolving-with-technology/>

- Rana, D. (2019). Digitization of Human Resource Practices-An Emerging Trend. In *Proceedings of 10th International Conference on Digital Strategies for Organizational Success*.
- Halid, H., Yusoff, Y. M., & Somu, H. (2020, May). The Relationship Between Digital Human Resource Management and Organizational Performance. In *First ASEAN Business, Environment, and Technology Symposium (ABEATS 2019)* (pp. 96-99). Atlantis Press.
- Manishaben Jaiswal, "CRYPTOCURRENCY AN ERA OF DIGITAL CURRENCY", International Journal of Creative Research Thoughts (IJCRT), ISSN:2320-2882, Volume.8, Issue 1, pp.60-70, January 2020, Available at :<http://www.ijcrt.org/papers/IJCRT2001010.pdf>
- Neeraj, (2018). "ROLE OF DIGITALIZATION IN HUMAN RESOURCE MANAGEMENT", International Journal of Emerging Technologies and Innovative Research (www.jetir.org | UGC and issn Approved), ISSN:2349-5162, Vol.5, Issue 1, page no. pp284-288, January-2018.
- "The Role of Digitalization in Human Resource Management in Star Category Hotels: A Review", International Journal of Emerging Technologies and Innovative Research (www.jetir.org), ISSN:2349-5162, Vol.5, Issue 12, page no.203-210, December-2018
- <https://www.hrdconnect.com/2018/10/23/innovations-in-hr-management/>
- Tripathi, R., & Kushwaha, P. (2017, March). A Study on Innovative Practices in Digital Human Resource Management. In *Natioanl Seminar on Digital Transformation of Business in India: Opportunities and Challenges*. Dehradun: IMS Unison University.
- <http://www.ijcms2015.co/file/vol-ii-issue-1/AIJRA-VOL-II-ISSUE-1-21.pdf>
- <https://journals.sagepub.com/doi/pdf/10.1177/2397002220921131>
- <http://www.jcreview.com/fulltext/197-1601726726.pdf>
- http://essay.utwente.nl/82872/1/Mosca_MA_BMS.pdf
- <https://www.shrm.org/resourcesandtools/hr-topics/organizational-and-employee-development/pages/cisco-changed-hr-in-24-hours-using-design-thinking.aspx>