

Digitalisation- An Emerging Trend in Human Resource Practices

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Abstract : *This paper attempts to explore the use of IT tools in HR practices by the Indian organizations. This also highlights the changing role of E-HRM in Indian organizations. E-HRM refers to an integrated, organisation wide electronic network of HR data, information, services, tools, applications and transactions.*

This article explains the Landscape of E-HRM by which organizations involved in technological working. The technological innovation helps in bringing new jobs and methods of working in an organisation. The HR professionals use these innovations in a positive way by transforming strategies in a digital way for the upbringing of the organizations. This paper reveals the impact of technology on various HR practices like recruitment, training & development and performance management. With the help of examples like Reliance, SBI and Bank of Baroda article highlights the working of Indian organizations by using digital tools in their HR Practices. This paper also highlights the future scope of digital tools in industries for making the organizational culture more valuable. It also states the benefits and necessity of using IT Tools in HR Practices.

Keywords: *Human Resource Management, Information Technology, E- Human Resource Management and HR Practices.*

I. INTRODUCTION

In 21st century, the world has undergone many changes based on dominance of IT (Information tool) tools and digital media. Digitalization is present throughout every business and everyday lives. It is an emerging approach to business practices and employee's behavior. The digitalization is rapidly growing because of the dynamic behavior of the market. The organizations have to adapt these technologies for the better communication among employees and to gain the competitive advantage. Digital technology plays a vital role in Human Resource management (HRM) and effects its functioning in many ways. Apart from Human Resource Management System (HRIS), it also affects the other HR Practices.

The HR practice of Human Resource Management (HRM) is concerned with all aspects of how people are employed and managed in organizations. It covers activities such as strategic HRM, Human capital management, knowledge management, organizational development, resourcing (Human Resource planning, Recruitment & Selection and talent management) and performance management, learning and development.

Digital technology helps the organisation to increase its productivity by maximizing its most valuable assets 'Human'. Digital HRM is a way by which strategies, policies and practices can be effectively implemented. "An umbrella term covering all possible integration mechanism and contents between HRM & IT aiming at creating value within and across organisation for targeted employees and management" (Bondarouk & Ruel, 2009 P.507). Most of the tasks associated with HR are outsourced. As a result, business requires more new expertise from their HR team.

II. WHY BEING DIGITAL IN HR PRACTICES

In present scenario, there seems the domination of technology all over the world. Digitalization is a tool which speeds up the communication process by reducing the cost which helps the organizations to be more productive and to work more effectively and efficiently. The technological innovation helps in bringing new jobs and methods of working in an organisation. The HR professionals use these innovations in a positive way by transforming strategies in a digital way for the upbringing of the organizations. Digitalization also helps in enhancing the skills of the employees like working on software's and computer skills. IT (Information Technology) has divided the benefits into three categories:-

- **Transactional systems** that cut costs by substituting labor and automating processes
- **Informational systems** that cut costs and enhance productivity by providing the information backbone of a firm

- **Strategic systems** that increase innovativeness by enabling new products, services or the entry into new markets.

From the above systems it is clear that digital tools help the organizations in increasing productivity, improving quality of work, increasing workplace safety, reducing cost and employee engagement.

III. OBJECTIVES OF THE STUDY

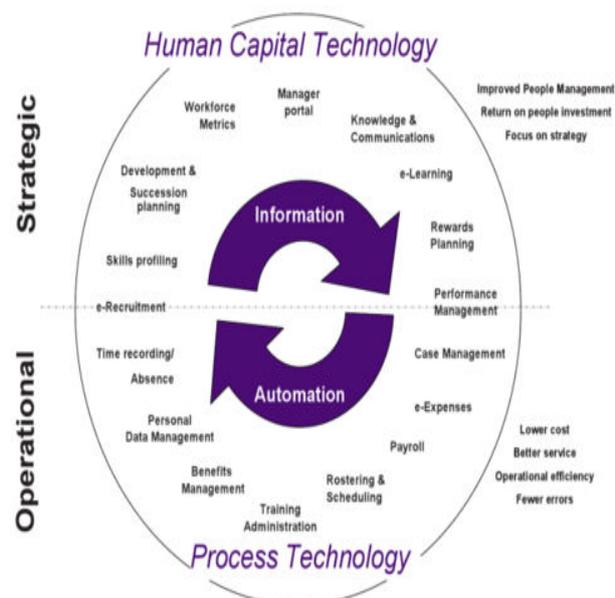
The study has been undertaken to achieve the following objectives:

1. To gain insight on the present status of use of digital tools in HR practices.
2. To understand the working and successful implementation of digital tools in HR practices in India.
3. To highlight the benefits of E-HRM in Indian Industry.

IV. RESEARCH METHODOLOGY

The study is conceptual in nature. Hence, secondary source of data mostly comprising journals, research publications, and internet has been used to achieve the stated objectives.

V. E- HUMAN RESOURCE MANAGEMENT (E-HRM)- LANDSCAPE



E-HRM refers to an integrated, organisation wide electronic network of HR data, information, services, tools, applications and transactions.

The application of any technology enabling managers and employees to have direct access to HR and other workplace services for communication, performance, reporting, team management, knowledge management and learning

in addition to administrative applications (Watson-Wyatt, 2002).

The figure highlights the several functions of the HR contained within contemporary E-HRM technology. It divides the whole functions into two areas one is –Process technology and other is Human Capital Technology.

Process technology provides support for basic transactions. These functions include managing payroll, personal/ organizational data and routine administration and are aimed at reducing costs and achieving HR operational efficiencies through automation.

Human Capital Technology aimed at supporting people management activities such as performance management, skills profiling and analytics. These functions are more strategically oriented due to the wider impact on business outcome.

The impact of Hr technology is likely to be some combination of process and human capital. E-HRM technology is advancing faster as many organizations are working on web technologies like e-recruitment by the portals or websites, performance management software's and e-learning for their workforce.

VI. DIGITALISATION AND HR PRACTICES IN 21st CENTURY

A. Digitalization in Recruitment

The recruitment industry is the oldest industry among the other service industries of the world. Technology has a positive impact on recruitment. Recruitment is the process of attracting potential candidates for the organizational anticipated vacancies. E- Recruitment provides many digital tools.

Types of E- Recruitment

1. **Operational E-Recruitment-** this includes basic transactions characterized by short term applicant relationships global messages and major automation.
2. **Relational E-Recruitment-** this is characterized by development of real applicant relationships through better feedback, the personalization of applicant messages and the use of web 2.0 tools, such as social network sites.
3. **Transformational E-Recruitment-** it is anchored in a global talent management strategy, consisting in identifying the critical positions, and then attracting and retaining individuals who correspond to

the established profile (Foster 2005). Employer branding and reputation could be a solid support.

E-methods Used in Recruitment

- a. **Company's websites** are their own websites having a link for careers options where candidate can sign in with current openings or submit the resume for better opportunities. Many companies use this method of recruitment like idea, HCL, Wipro etc. these companies have separate recruiters team for responding towards these activities.
- b. **Commercial Job portals** are the websites that allows employees to post their job requirement for the fulfilling of their vacancies and candidate post their resume for getting the job opportunities. The job sites in India are Naukri.com, Monster. Com, Times job, shine.com etc.

B. Digitalization in Training Development

IT tools have affected the way of formal learning in a work place. In the era of digitalization, E Learning provides an enormous opportunity to the employees by making learning more interesting and attractive. "E Learning refers to the use of internet technologies to deliver a broad way of solutions that enhance knowledge and performance" (Marc Rosenberg). The training changes from basic training activities like lectures, case studies, role play etc. to the more complex techniques like technology based learning, video, internet and computer based. Many public as well as private sector companies are adopting the concept of E- Learning. According to Nagy [9] "E-Learning refers to learning that depends on or is enhanced by electronic or online communication using the latest information and communication technology".

C. Digitalization in Performance management

Performance measures the employee efficiency and effectiveness in the achievement of organizational goals. E-Performance Management is the planning and implementation of Information technology in managing Performance Management System. E-Performance Management is the part of E-HRM. IT enabled Performance Management comes to an effective tool to leverage the full benefits of the system at a comparatively lesser cost of administration. The E- Performance Management allows the organizations to maintain the record of core skills and competencies into the employee's managing process. With the emergence of

technology, performance appraisal software's are becoming common in the organizations. Performance management software helps the HR to carryout performance of the employee in the most effective way, by saving time and cost. Performance management software provides a innovative approach to employees performance appraisals. It not only provides performance review but also helped in increasing productivity, relationship, behavior, development and core competency.

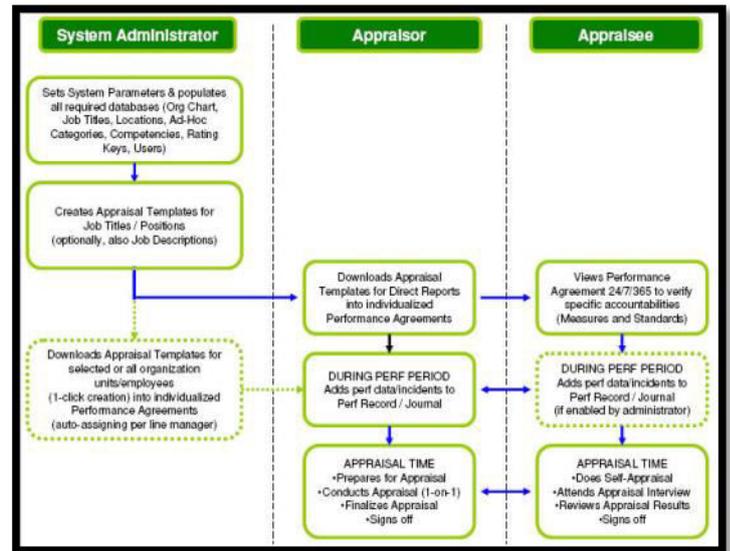


Figure: Format of Performance Appraisal software

Source: www.appraisal-smart.com

VII. USE OF DIGITAL TOOLS IN HR PRACTICES : EXAMPLE FROM INDIAN INDUSTRY

A. E-Recruitment in Reliance Company

Reliance Company provides e- recruitment which is designed to make the recruitment process more effective and efficient. Reliance values the innovation, initiative and entrepreneurship. It gives an opportunity to join them in the process of actualizing your potential. The system works on the following steps:-

1. **Basic requirement-** candidates have to fill their basic information like name, email id, experience in years, qualification and skills.
2. **Uploading Resume-** After filling all the necessary details candidates have to upload or submit their resume/ CV.
3. **Screening-** after submission of resume, reliance recruitment team short list the

potential candidates to complete the module of the company.

4. **Interview-** Reliance team after short listing goes through the process of interview. They provide the facility of video conferencing for the candidates who live outside station.

Above example shows there is a need for organizations to have a cost effective, fast and convenient system for the personnel selection. IT tools are the latest tools in hiring the personnel's.

B. Digitalization in SBI- Gyanodaya E Learning Gateway

It is the e- learning portal of the SBI which provides the training facilities in order to enhance the skills of the employees. The portal has the learning modules for various posts like chief manager, branch manager, cash officer and field officers separately. Every employee of SBI is able to access portal that have their data in HRMS portal. The idea behind this portal is to provide learning at anytime and anywhere. By using this portal the employees are free to choose any module and they can get certified by accessing tests.

Getting Started with Portal:-

The portal has the following steps-

1. **New Users Registration-** the first step to access e- learning is to get registered with the application. The employee has to click on "New User Registration" link to get login and employee has to enter his PF no and Date of Birth. After entering this detail he has to click on "Get Details" button. The details of the employees from HRMS will be computed in your personal details and official details section. After that employees have to enter work details and contact details. The employees after filling this information are able to create his account.
2. **Registering for lessons-** to register for the courses and lessons employee has to click on "course registration" menu from "my courses" in "my workspace". In course registration page employee has to click on "enrollable courses" menu. To register for the lesson employee has to click on join link that is below the course title.
3. **Accessing Lessons-** after registering on my courses employees get list of registered courses, then he has to access

lesson of the course from "course tools". The lesson content will be opened in new window from where employees access the lessons.

4. **Taking Tests & Quizzes-** to access test and quizzes click on "Test & Quizzes" from course tools. Employees will be directed to tests & quizzes window. Under "take an assessment" section, list of test & quizzes will be displayed. Click on "Begin Assessment" to take the test. At the ends of the test click on "submit for grading" button to complete the test.

System requirement for the SBI E-Learning portal is very normal. It requires the use of Internet Explorer 6.0 or Firefox 3.x or above.

Digitalization in Bank of Baroda (E-Performance Management)

Bank of Baroda has started the Human Resource Network for employee services. It covers the entire gamut of HRM function in the bank. Bank covers all the HR processing by the Oracle Core HR Module. This software helps the employees to undergo with various learning courses. The Performance Management System is implemented for all officers w.e.f 2009-10 onwards. System starts from performance planning and goal setting and takes it forward into performance review, discussions, feedback and development. The new system is business linked, highly objective and fully transparent with individuals owning and managing their own performance themselves. Baroda sujhav and ideaonline@bank of baroda.com are the idea channels where new employees can share their ideas. The bank elicits new ideas from employees with structured rewards provisions for the best ideas.

Conclusions

Hence, the increased need of IT tools in HR, replaced the traditional methods by the modern methods. Organizations are trying to reduce their cost and time to achieve profitability. Organizations are trying to convert their HR Practices in to E-HR Practices. In the era of globalization, Companies want to expand globally by reaching the people all across the world companies needed end to end visibility in their value chain and enhanced process efficiency throughout the organizations. Industries in India like Telecom industry such as Reliance and service industry like SBI- Gyanoday E -Learning Portal, Bank of Baroda are trying to convert their HR practices into E-HR practices. These companies used different software's for different HR

Functions. These web technologies help the organizations in achieving competitive advantage. These organizations shows the importance and need of digital tools in Indian Industry Most of the companies for their HR activities are dependent upon third-party consultants, so they need more experts in their HR team. The concept behind E-HR is to create organizational culture that enhances the working knowledge of the employees by adding value to the business.

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