

# A Study on the Human Resource Functions in the Digital Era

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## ARTICLE DETAILS

### Article History

Published Online: 03 Oct 2018

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### Keywords

Digital era, Digital HR, Competitive Advantage, Adoption of Technology, Artificial Intelligence

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## ABSTRACT

In the recent years all the personal and professional life, things are becoming digitalized. Small enterprises to the large organization, everything has been digitalized. Digital denotes the rapid adoption of technology. Digital transformation will create more opportunities and platforms for the job seekers. In this digitalized world each and every organization has to adopt the technology changes to stand in the business market, will get competitive advantage. Human Resource (HR) manager plays an important role in an organization and stand has a backbone of an organization. The aim of this paper is to analyze current changes on HR functions in the digital era and the benefits are examined. In the near future, everything will be digitalized, virtual and artificial intelligence will play an important role. HR manager has to frame strategy, new ways of thinking and should have a good leadership quality to sustain in the business market. HR profession, who are not still adopting the technology changes, should take steps to change to digital HR.

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## 1. Introduction

The human resources (HR) manager plays an important role in the organization and stands as a backbone for an organization. Each and every organization has different task to perform. HR manager will perform many tasks such as recruitment and selection, training, compensation and benefits, termination, salary, performance appraisal, talent management, redress grievance, induction, employee engagement, corporate branding, background verification, knowledge transfer for new employees, communication, and maintenance of attendance, employee profile, event organization, employee PF,ESI, remind the employees anniversary & birthdays, arranging of employees accommodation & foods, etc. Recruitment and selection became very easy for the HR manager, because of social media and the job vacancy of an organization can reach more people faster both internally and externally

Information technology is changing the business market and lifestyle of the employee to the next level. Digitalization is the technology development in the IT sector. Digitalization helps to convey the information more quickly. Digital transformation connects the people globally. Each and every organization are changing to the technology development and everything is been digitalized in the entire business sector. Digital means the rapid adoption of technology. Digital HR processes like recruiting, compensation, learning and development, and talent management are exists now. Digital HR is potentially a tool for cultural transformation. Digitalization is not only adopting the technology, it is the new way of thinking, innovates different ideas and implements the business, by the HR professional of an organization.

Digital transformation it is a strategic plan, organizational culture change, creates opportunities, transforming with the support of technology. It is a new sustainable competitive advantage for the organization. HR professional should be ready to adopt the technology change, and should implement in the organization simultaneously. Organization may be divide

into two doing digital and digital innovators. Doing digital denotes organization follows the technology and adopting the existing technology change. Digital innovators denote the organization which innovate new thinking and ideas to attract the customers they will create and implement the new technology they will be the winners. For example: Uber, Amazon, Flipkart. Digitalization refers to adding technology with the existing HR strategy. Digital HR will be the future of all the business entities. Digital HR will create connectivity between anything and anywhere.

HR functions like recruitment, training and development, talent management, compensation and benefits are implemented to do in the digital form. Fewer organizations started to do the work in digital form. Much organization is following the traditional, others using both traditional and modern practices. HR manager should practice modern functions in their organization to sustain in the business market and to get a competitive advantage. The main target of an organization is customer satisfaction. Digitalization will helps to provide services to customers in a best possible way which will give profit for an organization and to attract more customers.

## 2. Background of the study

In the current scenario each and every field is becoming digitalized. Digitalization will create more opportunity, every work will get perfection. Digitalization will create virtual images and artificial intelligence will play an important role. People can work from anywhere without any stress. In olden days all the tasks of an HR will be performed with some sort of difficulty and consume more time, energy, money and risks. Each and every work of an HR is more important for an organization and every work should be done in an effective way. The transformation to digital of HR functions is explained, with the help of a small survey on circulating the questionnaire with the employees of an organization.

### 3. Importance of the study

This study is made to find the recent changes in the HR functions in the digital era. Digital transformation eliminates the paper work and reduces the expenses of the organization. Transformation to digital is adoption of a new technology, upgrading the organization standard and culture. This study has made to convey how digitalization gives benefits to HR functions of an organization. Digital transformation will help to communicate quickly, will reach to more people out of the border, save money and time.

### 4. Review of Literature

BetchooNirmal Kumar (2016) revealed the importance of digital revolution in the Mauritian public service and its impact on related human resource factors like HRD, talent and performance management. Since these factors affecting the human resource process in the organization, digital transformation will have a positive effect. It is done under the human resource development department perspective of two unrelated companies. It is concluded that there is a comparative similarity between these two entities which will influence the human resource factors and contribute to the productivity of the organization.

Camilla Bengtsson et al. (2017) explain about the Human Resource Management in the digital era. This paper is done on the qualitative study on HR perception. Digitalization helps HR managers to perform their tasks and reduces the administrative cost. Digitalization creates demand for HRM to change to the new HR competencies, new employment and agile HR processes. Digitalization is going to change everything, changes to be implemented by the HR manager. It is concluded that understanding of digitalization by HR managers will help them to explain to the employees of an organization. HR managers will know to think wider and prepare strategies to sustain in the business market.

Deo TP et al. (2017) explain about the four roles of HR in the digital transformation. HR professionals may think, change to digital HR. But HR professionals may not know "where to start". These four roles will be a starting point for strategy of digital transformation for HR: strategy partner, change agent, administrative experts, employee champion. Digital HR will provide easy-to-use and change every HR function will be done using online. Digital HR may lead to culture changes. Digital HR is the technology development and it is a competitive advantage for organizations which adopt it. It is concluded that the future will be with four roles in the digital transformation.

Manoj Kumar Behera (2017) revealed about the information technology and web technology, and their uses to individuals and business. After the adoption of information technology in the business field, the work became easy for individuals and business people. Every department of an organization plays a role for the success of an organization but, HR departments play an important role with the adoption of information technology. It developed the new concept called E-HRM. The main focus of this paper is to explain the positive side of E-HRM and its effects on the reduction of cost. It is

concluded that organizations should adopt E-HRM and to implement rules to protect the organization's secrets should convince the employee of an organization to change to E-HRM.

Pooja Dixit (2017) highlights the changing role of E-HRM and use of IT tools in HR practices in Indian organizations. New innovation in technologies brings more jobs and methods of working in an organization and the impact of technology on various HR practices like recruitment, training and development and performance management are detailed. HR professionals using innovation in a positive way and uplifting the organization to meet the future that is digitalization. It is concluded that the scope of digital tools for businesses for making the organization culture more valuable in the future.

Roma Tripathi et al. (2017) explain about the study of innovation on the digital HRM. The role of innovative practices and technology in the digital environment are explained. Several implications were discussed to promote the sustainable development of the digital era. The changes in HR practices will lead to digital in all the sectors. It is concluded that every firm has to include the innovative HR practices which will attract and reward the employee of an organization which is the two big challenges for the HR manager.

### 5. Research Gap

HR managers of an organization play an important role in an organization. Various research works have been done on HR management, E-HRM, HR practices in the digital era but, now in this changing business environment technology plays an important role in the business market and everything is becoming digitalized. This study is all about the study on the HR functions in the digital era; the current changes in HR function in the digital era and their benefits are examined.

### 6. Objectives

1. To analyze the current changes in the Human Resource functions in the digital era.
2. To analyze the benefits of digitalization on the Human Resource functions.

### 7. Limitations

In this paper the survey collected from 199 employees, because of time constraints and it is not an easy task to reach HR professionals of an organization in a short time period. HR managers will be busy always; the fact is they have more responsibility. Hence the information collected from the employees to know how HR functions are executed using digitalization. Further research can be done from the HR professionals of an organization.

### 8. Research Methodology

The primary and secondary study has been collected to find the study of HR functions in the digital era. Information from articles, websites and thesis was taken as part of the secondary data for the study. A literature review and then a primary study was done on 199 employees of different organizations and from different fields to find out how HR

functions are executed in the organization and to find the benefits and problems experienced by the adoption of digital transformation. The statistical analysis are done by using SPSS version 23. The statistical tools of Frequency, Percentage analysis, Descriptive statistics i.e. Mean and Standard deviation were applied.

## 9. Analysis & Discussion

The questionnaire is circulated to 250 employees, among that feedback came from the 199 employees, with the collected information the calculations are done.

**Table: 1 Demographic Profile of the respondent**

Profile		Frequency	Percent
<b>Gender</b>	Male	105	52.8
	Female	94	47.2
	<b>Total</b>	<b>199</b>	<b>100.0</b>
<b>Age</b>	Below 30	136	68.3
	31 – 40	53	26.6
	41 – 50	7	3.5
	Above 50	3	1.5
	<b>Total</b>	<b>199</b>	<b>100.0</b>
<b>Marital Status</b>	Married	118	59.3
	Unmarried	81	40.7
	<b>Total</b>	<b>199</b>	<b>100.0</b>
<b>Education Qualification</b>	Upto School	0	0
	Diploma	8	4.0
	Under Graduate	91	45.7
	Post Graduate	71	35.7
	Professional	29	14.6
	<b>Total</b>	<b>199</b>	<b>100.0</b>
<b>Employed In</b>	Public Sector	35	17.6

	Private Sector	164	82.4
	<b>Total</b>	<b>199</b>	<b>100.0</b>
<b>Income</b>	Below 10000	9	4.5
	11000 – 20000	49	24.6
	21000 – 30000	52	26.1
	31000 – 40000	32	16.1
	Above 40000	57	28.6
	<b>Total</b>	<b>199</b>	<b>100.0</b>
<b>Work Experience</b>	Below 5	101	50.8
	6 – 10	67	33.7
	11 – 15	19	9.5
	Above 15	12	6.0
	<b>Total</b>	<b>199</b>	<b>100.0</b>

Table 1 shows the demographic profile of the respondent. Out of the total 199 sample, 52.8% are male and remaining 47.2% of the respondents are female. It is observed that 68.3% of the respondents are below 30 years, 26.6% of the respondents are between 31 – 40 years, 3.5% of the respondents are between 41 – 50 years, 1.5% of the respondents are above 50 years. 59.3% of the respondents are married and 40.7% of the respondents are unmarried. The respondents are finished their bachelor's degree with 45.7%, 35.7% are post graduate degree, 14.6% are professional degree, 4% are diploma and 82.4% are employed in private sector and 17.6% are employed in public sector. Out of total respondent 28.6% monthly income are above 40000, 26.1% earn between 21000 – 30000, 24.6% earn between 11000 – 20000, 16.1% earn between 31000 – 40000 and 4.5% earn income below 10000. The work experience of the respondent are, 50.8% are below 5 years, 33.7% are between 6 – 10 years, 9.5% are between 11 -15 years and 6% are above 15 years.

**Table: 2 Influences of digitalization in HR functions**

S.NO	STATEMENTS	N	Mean	Std. Deviation
1	Digitalization reduced the physical presence of HR manager	199	3.61	1.066
2	Digitalization makes me to addict while using internet	199	3.60	1.105
3	Digital transformation creates leakage of secrets which leads to termination of employee	199	3.46	1.004
4	Digitalization is not adopted in my organization	199	3.42	1.111
5	My HR will check every employee's activities through digital profile	199	3.25	1.042
6	My privacy is lost, by using digital tools for searching job vacancy	199	2.88	1.094
7	My organization secrets revealed because of digitalization	199	2.87	1.128

Table 2 shows the descriptive statistics of influences of digitalization on HR functions were (N) represents number of respondents participated in the survey. From the mean value we conclude that digitalization reduced the physical presence of HR manager has an high impact which has a highest mean value 3.61 and standard deviation of 1.066 followed by

digitalization makes me to addict while using internet it has a mean value of 3.60 and standard deviation of 1.105 while organization secrets revealed because of digitalization has a lowest mean value of 2.87 and standard deviation of 1.128 which reveals that organization secretes are leaked, if transformation takes place.

**Table: 3 Adoption of digitalization benefits to HR functions**

S.NO	STATEMENTS	N	Mean	Std. Deviation
1	Digitalization eliminates the paper work	199	3.28	1.137
2	Digitalization reduced the recruitment cost	199	3.05	1.056
3	Recruitment process became easy for HR, because of digital transformation	199	2.98	1.121
4	I communicate my grievance using digital tools	199	2.95	1.147
5	Digitalization helps me to communicate with my manager using internet	199	2.94	1.043
6	My organization post employee achievements using digital	199	2.85	1.098

	tools			
7	My organization creates blogs, which helps me to communicate and to participate in the conversation	199	2.62	.981
8	Digitalization gives me job satisfaction	199	2.58	.981
9	Digital transformation helps me to active in online	199	2.56	1.013

Table 3 shows the descriptive statistics of digitalization benefits to HR functions were (N) represents number of respondents participated in the survey. From the mean value we conclude that the digitalization eliminates the paper work has a high impact with a highest mean value of 3.28 and standard deviation of 1.137 followed by digitalization reduced the recruitment cost with a mean value 3.05 and standard deviation of 1.056 while digital transformation helps to active in online has a lowest mean value of 2.56 and standard deviation of 1.013 which reveals that digitalization is not adopted in many organization HR practices.

## 10. Conclusion

Digital transformation is a most important technology change of an organization which will create more opportunity,

for the more valuable asset of an organization that is "human". In the near future, everything will be digitalized, virtual and artificial intelligence will play an important role. HR manager should have a good leadership quality, new ways of thinking and should frame strategy to sustain in the business market. HR profession, who are not still adopting the technology changes, should take steps to change to digital HR. Digital transformation will reduce the cost of the organization and makes each and every work with perfection. Digitalization may give negative impact, but it can be used safely by proper guidance. It is concluded that HR manager has to step back, relearn the business strategy and to add it with the technology and to sustain in the business market, to be a new innovator and a good competitor.

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