

STUDY OF IMPACT OF DIGITALISATION ON HUMAN RESOURCE FUNCTION

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Abstract: Digitalization has a definite impact on the employee performance. Furthermore, this digitalization also has an essential role in influencing the human resource functions. This human resource management plays an essential role in motivating the employees to work better. Furthermore, this helps to improve their productivity as well as their performance level. Therefore, it can be said that this digitalization has immense benefits and it improves the productivity of the employees. In this research study, the researcher focuses to identify the impact of this digitalization on the human resource functions. The researcher has performed study on about 27 participants who were selected randomly from retail as well as telecommunication industry. Furthermore, the researcher uses a 5% significance level to identify the impact of this digitalization and to analyze the data. Moreover, the value of X^2 is not significant at $p < 0.05$ and the null hypothesis is rejected. The researcher accepts the alternative hypothesis. Therefore, it can be said that digitalisation has a definite impact on the productivity as well as level of performance of the employees. Henceforth, this employee could perform better with the help of digitalisation and this improves the economy of the organisation.

Key Words: Digitalisation, human resource management, performance management, employee performance and business firms

1. INTRODUCTION:

There has been a significant shift of technological diffusion towards digitalisation and this change has a definite impact on the various human resources. Furthermore, it has also been seen that human resources have been become better due to this digitalisation. Technology has become one of the sole providers that urge economic progress. This digitalisation plays an essential role in human resources and impacts the level of performance of the employees. Therefore, it is essential to understand the impact of this digital revolution and its influence on employee performance. The following unit will detail the various limitations of this study along with the impact of this digitalisation on human resources.

2. LITERATURE REVIEW:

Introduction- Digitalisation is essential as it helps in accelerating the various performances performed by the employees. Therefore, digitalisation is prerequisite in order to perform any activities within the business firms. This further accelerates the performance rate thereby inducing productivity and profitability of the company.

Impact of digitalisation on human resource function- It has been seen that this digitalisation has a huge impact on the productivity as well as performance level of the employees. Furthermore, human resource development is essential as it helps the employees to perform well. Moreover, human resource development included employee training and therefore, digitalisation would help these employees to perform better. Furthermore, this human resource management performs a significant role in management and therefore, digitalisation plays an essential role in this management. It has also been observed that advancement of technology has a profound impact on the roles played by the HR department. The use of new technologies improves flexibility as well as integration. This allows employees to create their own field within these working premises. Therefore, it could be said that this digitalisation has an immense impact on the employee performance level. Therefore, this improves the productivity of the employees and makes them more suitable for any business performances. This enhanced productivity overall improves the economy of the company. Therefore, organisations need to use this digitalisation in order to fulfil the needs and requirements of the company.

The strategic role played by HR department in business performances- It has been seen that within the working premises, this HR department plays a major role. Furthermore, with this advancement in the use of new technologies, peer-pressure has been implemented on these employees. They need to be properly trained by this HR department so that they could handle the various functions within the work premises. These advanced technologies have challenged many companies and they need to implement new strategies that would help the employees to work better. Furthermore, the HR department needs to use certain strategies that help the employees to perform better. Therefore,

this technological advancement would help the HR department to perform tasks and guide the employees to perform better. Therefore, this would overall improve the economy of the organization. Furthermore, it is essential for the employees to use this technology appropriately and this reduces time. Therefore, this enables the employees to work better and perform as per the requirement of the organisation.

Impact of digitalisation on employee performance- It has been seen that with the advancement of technology, the employee performance rate has been augmented. Furthermore, it can be said that digitalisation improves the functioning of the employees by providing them with advanced technologies. These techniques help them to perform better thereby improving the economy of the organisation. Moreover, it has also been seen that digitalisation also improves the communication of employees. Therefore, this enhanced communication further improves their productivity within work premises. Therefore, this allows them to perform better. Henceforth, it can be said that digitalisation improves the productivity as well as proficiency of the employees by making them interactive. Therefore, they could perform better and raise the economy of the organisation.

Summary

Digitalisation has a definite impact on the performance level of the employees. It has been seen that this digitalisation improves the functioning of the human resource management. Furthermore, this digitalisation also causes advancement of the technologies that help these employees to work better. Therefore, it is essential for the organization to use this digitalisation technique as it enables the employees to perform better.

3. MATERIALS:

This research study identifies as well as analyzes the impact of digitalisation on the functioning of human resource management. This study will predict the relationship between digitalization and human resource functioning as the two variables.

H0: Digitalisation has no significant impact on the functioning of human resources

H1: Digitalisation has a significant impact on the functioning of human resources

4. METHOD:

In this research study, information has been obtained from around 27 participants that were selected randomly from various organisations. The researcher will interpret the data and analyse them with the help of inferential as well as descriptive techniques. Furthermore, standard deviation has also been used to interpret results from the survey. Moreover, the researcher uses a 5% significance level and analysed the data with the help of chi-square test. These statistical interpretations have been used in order to analyze data and draw a conclusion of the provided topic. [*Refer to Appendix 1*]

5. DISCUSSION:

In this research study, the P-value has been found to be 0.992285. Therefore, in this case, the value of X^2 is not significant ($p < 0.05$). Therefore, null hypothesis has been rejected while the researcher has accepted the alternative hypothesis. Therefore, it could be said that digitalisation has a definite impact on human resources.

1) It could be said that digitalisation improves the functioning of the employees. Therefore, this improves the total economy of the organisation. Furthermore, it could also be seen that this digitalisation improves the communication among the employees. Therefore, this overall influences the productivity of the employees. Moreover, this enhanced productivity is essential for any organization.

2) Digitalisation also improves the human resource management. This enhanced HR activity overall improves the functioning of the employees. Moreover, digitalisation also allows the employees to get motivated and therefore, this again overall enhances the productivity of the employees. Therefore, it can be said that this digitalisation is essential for any organisation especially in case of telecommunication as well as in retail industry.

6. ANALYSIS:

The following research study is limited due to its time constraints. Furthermore, this study is limited to a specific geographical region. The researcher needs to barricade his study to a specific region in India. Therefore, the data and information that are presented in this study are limited. Furthermore, in this case, employees from several renowned companies have been chosen and they might not provide appropriate information on this topic.

7. FINDINGS:

The main objective of this research study is to identify and find out the impact of digital revolution on the various human resources. The secondary objectives of this research study include-

- To identify the necessity for digitisation in business firms
- To critically assess the factors affecting digitalisation in managerial functions
- To critically evaluate the impact of digitalisation on human resources and its management

- To recommend suitable activities for improving human resource functions due to digitalisation

8. RESULT:

Descriptive statistics

Categories	Classification	Number of participants	Percentage %
Age	24-30 years	12	44
	30-40 years	10	37
	40-50 years	04	15
	50 and above	1	4
Sex	Male	14	52
	Female	13	48
Employees	Retail	17	63
	Telecommunication	10	37
Total		27	100

Table 1: Description of the participants

(Source: Created by the researcher)

From this above-mentioned table, it can be seen that most of the participants were aged around 24 to 30 years as the value is about 44%. Moreover, 10% of the participants were aged about 30-40 years. Around 4 employees were aged between 40 to 50 years and only 1 employee was aged more than 50 years. On contrary, about 52% of the employees were male and 13% were female. Furthermore, it has also been seen that about 17% of employees were taken retail industry while 10% of employees were selected randomly from telecommunication industry.

Frequency table

Number of participants/ Details on public relations effects	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	frequency
A. Digitalization could meet technological advancement	1	1	1	0	1	1	1	0	1	1	1	1	0	1	1	1	0	1	1	1	1	0	1	1	1	1	1	22
B. Digitalization contribute in managerial approaches	1	1	1	1	0	1	1	1	1	1	1	0	1	1	1	1	1	0	1	1	1	1	1	0	1	1	1	23
C. Digitalisation has impact on business performance and its growth	0	1	1	1	1	0	1	1	1	1	1	0	1	1	1	0	1	1	0	1	1	0	1	1	1	1	0	20
D. Telecommunication industry digitalisation for customer satisfaction	1	0	1	1	1	1	0	1	1	1	0	1	1	0	1	1	1	0	1	1	0	1	1	1	1	1	1	21
E. Digital technology and HRM	1	1	1	0	1	1	1	0	1	1	0	1	1	1	0	1	1	0	1	1	0	1	0	1	1	1	1	20
F. Risk Maintenance	1	1	1	1	1	0	1	1	1	0	1	1	1	0	1	1	0	1	1	0	1	1	1	1	1	1	1	22
G. Digitalization can formulate organizational culture	1	1	1	1	1	1	1	1	1	1	0	1	1	1	1	0	1	1	1	1	1	1	1	1	1	1	1	25
H. Retail industry has scope in improving their employee performance	1	1	1	1	1	1	1	1	1	0	1	1	1	1	0	1	1	1	1	1	1	1	1	1	0	1	1	24
	7/8	7/8	8/8	6/8	7/8	6/8	7/8	6/8	8/8	6/8	5/8	6/8	7/8	6/8	6/8	6/8	6/8	5/8	7/8	7/8	6/8	6/8	7/8	6/8	8/8	8/8	7/8	

Table 2: Frequency table

(Source: Created by the researcher)

Hypothesis testing

In this research study, the researcher has tested null hypothesis with the help of Chi-square test. In this case, null hypothesis means digitalisation has a definite impact on the human resources. χ^2 stands for Chi-square test, O refers to observed frequency while E refers to the frequency that has been expected in the research study.

Observed (O)	Expected (E)	O-E	(O-E) ²	$\frac{(O-E)^2}{E}$
7	8	-1	1	0.125
7	8	-1	1	0.125
8	8	0	0	0.167
6	8	-2	4	0.50
7	8	-1	1	0.125
6	8	-2	4	0.50
7	8	-1	1	0.125
6	8	-2	4	0.50
8	8	0	0	2.25
6	8	-2	4	0.50
5	8	-3	9	1.125
6	8	-2	4	0.50
7	8	-1	1	0.125
6	8	-2	4	0.50
6	8	-2	4	0.50
6	8	-2	4	0.50
6	8	-2	4	0.50
5	8	-3	9	1.125
7	8	-1	1	0.125
7	8	-1	1	0.125
6	8	-2	4	0.50
6	8	-2	4	0.50
7	8	-1	1	0.125
6	8	-2	4	0.50
8	8	0	0	0
8	8	0	0	0
7	8	-1	1	0.125
				11.792

Table 3: Chi-square test calculation
 (Source: Created by the researcher)

From the above-mentioned table, $\chi^2 = 11.792$

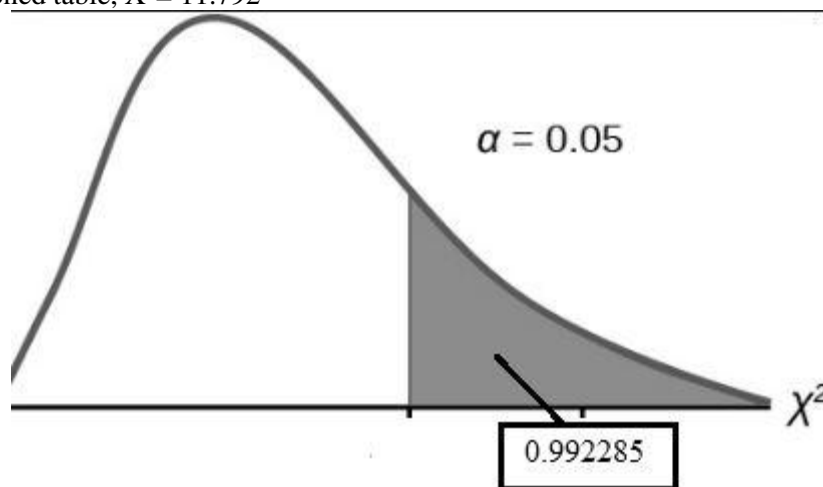


Figure 1: Graph on Chi-square
 (Source: Created by the researcher)

Total number of respondents (n) = 27
 Therefore, degrees of freedom (n-1) = 27-1=26

Henceforth, P-value = 0.992285

9. CONCLUSION:

Henceforth, it could be said that digitalisation is essential as it improves the overall economy of the organization. Furthermore, the use of new technologies also improves the functioning of the employees. This further allows them to perform better tasks. Moreover, it has also been seen that digitalisation also enhances the human resource management. Human resource management helps the employees to work better and therefore, this digitalisation is essential for them to become more productive. Therefore, it can be said that this digitalisation improves the functioning of the employees as well as human resource functions. Henceforth, this improves the functioning and enhances the overall economy of the organisation.

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