



A STUDY ON DIGITALIZATION IN PERFORMANCE MANAGEMENT

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ABSTRACT

Information technology systems have affected Organisations and Human Resource Department to the great extent. IT is introduced with rationale that it could propose benefits such as cost reduction, saves time and strategic transformation. More and more organisation has been replacing face – to – face human resource management activities with electronic human resource management (e-HRM). Many organisation have invested in e-HRM systems to transform the Human Resource Department into a strategically. This paper attempts to explore the latest trends in adopting IT for Human Resources practices by many Indian Organisations. This highlights the changing role of e-HRM in organisation.

Technology has tremendously changed the business world. In Information technology era and with arrival of computers, internet and smart phones, the impact of technology increased significantly. Today, situation is like businesses cannot function without the use of computer technology. The impact of technology is seen in all areas of business i.e. finance, accounting, human resources, marketing, operations, purchase etc. Technology has a continuous significant impact on HR practices. Different HR practices like recruitment, selection, training and development, performance appraisal, compensation, employee benefit practices are influenced by use of technology. Use of technology has both positive and negative impact on human resources. Researcher wants to find the technological influence on various HR functions.

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 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. This paper discusses the impact of technology on Performance Management apart from Human Resource Information System (HRIS). With the help of Indian Corporate case studies like Infosys and Bank of Baroda the applications and benefits of digitalization are illustrated.

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 fully integrated, organisation wide electronic network of HR data, information, services, tools, applications and transactions which are accessible at any time by the employees, managers and HR professionals.

KEYWORDS: *Information Technology, E-HRM, Performance Management, HRIS, Human Resource Management, Information Technology and HR Practice.*

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 behaviour. The digitalization is rapidly growing because of the dynamic behaviour 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 new technology has emerged as most pressing challenges of doing business. The mind set of employees are also influenced by the emerging technologies. Today employees find it easy to use digital tools to perform their jobs in a more efficient, high virtualized environment. Organisation doesnot allow employees to fortuitous download or amass any tool they want. Organisation should manage the procurement and availability of these tools. According to a recent report on digital workplace and culture, it is not necessary to send employees on the expensive trips to visit their clients or to join with other teams for the work. Current days, employees are enjoying the flexible work options when compared to olden days. Many HR experts believe that digital practices help to increase the productivity and employee engagement and innovation in the workplace. Digitalization saves the cost of the organisation and builds a more mobile and agile workforce that is more flexible and adaptable to different work requirements. Technology helps in all processes from recruit to retire functions and has drastically changed the way of employees and employers getting access to the human resource data. The current challenge with business leaders is how to implement the technology in human resource perspective to connect people and information.

II. WHY BEING DIGITAL IN HR PRACTICES

Digitalization is a tool which accelerates the communication process by reducing the cost which helps the organizations to be 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 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– Reduces cost by substituting labour and automating processes.

Informational Systems–Reduces cost and enhance productivity by providing the information backbone of a firm.

Strategic Systems- Increases innovation by enabling new products, services or the entry into new markets.

From the categorized 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

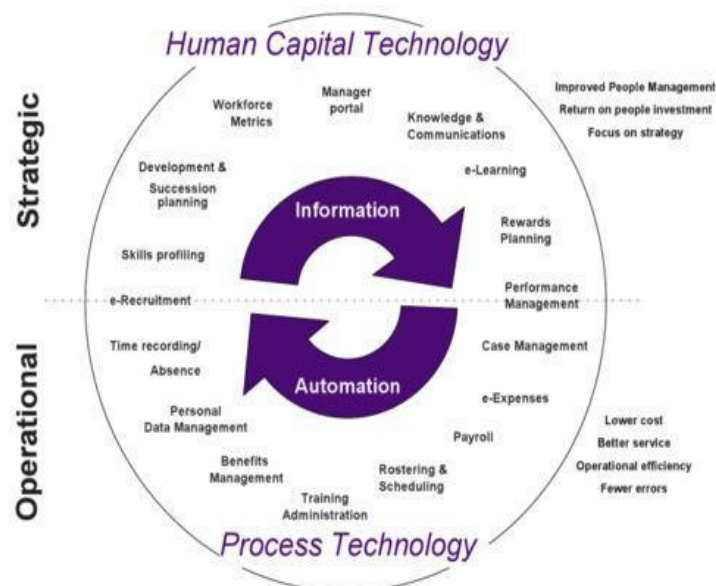
The study has been embarked upon to achieve the following objectives:

1. For gaining insight on the present status of use of digital tools in HR practices.
2. For understanding the successful functioning and implementation of digital tools in HR practices in India.
3. For highlighting the benefits of E-HRM in Indian Industry.

IV. RESEARCH METHODOLOGY

The study is conceptual & theoretical in nature. So, secondary source of data comprising journals, research publications, and internet has been used to achieve the objective of the study.

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 technology enables managers and employees to have undeviating access to HR and different workplace services for communication, performance, reporting, team management, knowledge management and learning.

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 **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- Aims 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 combination of process and human capital. E-HRM technology is advancing faster as organizations are working on web technologies likee-recruitment by the portals or websites, performance management software's and e-learning for their workforce.

VI. DIGITALIZATION IN PERFORMANCE MANAGEMENT

Performance measures the employee potency and effectiveness within the accomplishment of structure goals. E-Performance Management is that the coming up with and implementation of knowledge technology in managing Performance Management System. E-Performance Management is that the part of E-HRM. IT enabled Performance Management involves a good tool to leverage the complete edges of the system at a relatively lesser price of administration. The E- Performance Management permits the organizations to keep up the record of core skills and competencies into the employee's managing process.

With the emergence of technology, performance appraisal software's have become common within the organizations. Performance management computer code helps the HR to carryout performance of the worker within the only method, by saving time and price. Performance management computer code provides an innovative approach to workers performance appraisals. It not solely provides performance review however additionally helped in increasing productivity, relationship, behaviour, development and core ability.

Digitalized HRM permits the total performance appraisal to be conducted on-line, on the company web interface. This implies that the supervisor and additionally the employee area unit ready to submit performance information on to the amount Department in electronic kind. Digitizing has the flexibility to unlock new levels of potency in company performance management and at identical time to extend the standard, speed and relevancy of the knowledge provide massively. The ensuing changes represent real paradigm shift.

The continuous method of distinguishing, measurement and developing the performance of people and groups and orienting their performance with strategic goals of the organisation. Using data technology to support Performance Management several firms integrate data technology to automate performance management and to observe feedback and proper deviation if any on time.

With the advance technology, performance appraisal software's have become common in organisation. Performance management computer code is additionally serving to dramatically improve HR's ability to hold out effective individuals Relationship Management (PRM), and improve their organization's leader whole. It permits corporations to manoeuvre far from subjective individual's management to objective and economical individual's management to the great advantage of the employee/candidate.

To help and automates the processes of Performance Appraisal Management, organisation area unit more and more taking the assistance of assorted performance management software's like personnel Performance Management (WPM), Suite Systems and Talent Management package, that facilitate to consistently record all the info regarding the worker performance, pre-determined targets and therefore the results achieved, compensation, succession designing and different connected unit of time systems. The varied forms are going to be stuffed on-line and can be submitted to the amount.

Few things supervisors do are replete with uncertainty than appraising & evaluative subordinate's performance. Employees tend to be excessively optimistic regarding what their ratings are going to be. And that they apprehend their raises, careers and peace of mind could devolve on however you rate them. Several obvious and not-so-obvious issues (such as tendency to rate everybody as average) damage the performance appraisal method. Usually Human Resource Department is infernal for the poor appraisal technique.

Through the years because the world has undergone way reaching social group, cultural and economic changes supported the increasing dominance of digital media and tools. This has junction rectifier to this amount being known as "Digital Age". (IRC, Journals, 2013). Digital is evolving approaches to business apply, client interactions of workers. The impact of ascent in digital has meant that organisation have had to adapt to new market expectations.

From the Nineteen Sixties onward, the mechanization of business activities has been a locality that has been wide studied. (Kaufmann, 1966). Digitizing could be a mega trend that is considerably ever-changing the means within which we tend to live, work and creates worth. Conversion is revolutionizing the economy and also the company world of business.

Digitization opened opportunities for the trade. Firms are winners if they produce partnerships within the same verticals or across the verticals, said by Mr.Subhash Chandra, Chairman of Z amusement. (Times of Republic of India, August 3, 2007.)

In the words of Beson and Rowe (2012) "Information systems are thought-about to be a significant plus for investing organisation reworking thanks to the troubled nature of IT innovations, the deep digitalisation of business and their cross – organisation and general effects, however the amounts of investments in enterprise systems".

Performance Management is that the systematic method by that bureau involves its workers as people and members of cluster, in up structure effectiveness within the accomplishment of

agency mission and goals. Performance Management system has undergone heap of changes within the recent past to effectively translate effort to performance. The previous ways in which of assessing performance are proved to be dearly-won and ineffective. Bell curve alias relative comparison has been discovered to be time overwhelming and sometimes prejudicious to performance. Organisation like Adobe, Accenture, Microsoft and Deloitte has adopted new ways in which of assessing to boost individual and structure performance. (Neeti Kumar, folks Matters, fifth July 2016.)

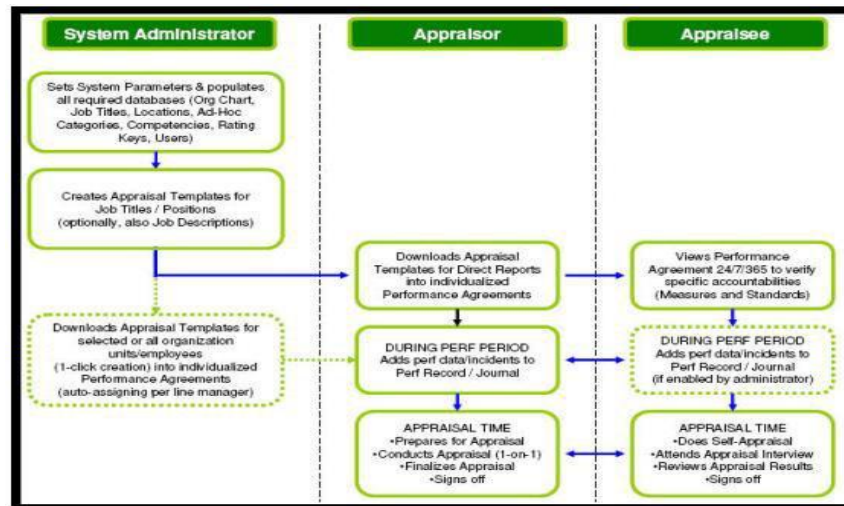


Figure: Format of Performance Appraisal software

Source: www.appraisal-smart.com

Digitalization in Bank of Baroda (E-Performance Management)

Bank of Baroda has started the Human Resource Network for employee services. It covers the complete gamut of HRM perform within the bank. Bank covers all the unit of time process by the Oracle Core hour Module. This software package helps the staff to endure with numerous learning courses.

The Performance Management System is enforced for all officers w.e.f 2009-10 forwards. System starts from performance designing and goal setting and takes it forward into performance review, discussions, feedback and development. The new system is business connected, extremely objective and absolutely clear with people owning and managing their own performance themselves. Baroda sujhav and [ideaonline@bank of baroda.com](mailto:ideaonline@bankofbaroda.com) are the thought channels wherever new staff will share their concepts. The bank elicits new ideas from staff with structured rewards provisions for the most effective concepts.

VII. CONCLUSION

Digitalization makes it simple to manage the performance on a nonstop method. It reduces the paper work and increase the accuracy of the appraisal. It reduces the very long time spent to try and do appraisal. It will increase the potency of employees and employee's area unit able to get comments on their work and improve on their own. Digitalisation of Performance management is employed by several modern-day corporations et al. implementing it by creating necessary amendment in their performance management system. So digitalisation in

performance management is that the advancement of IT and HRM, additionally it created employee feedback system a clear one.

Hence, the enhanced want of IT tools in HR replaced the standard ways by the modern ways. Organizations are attempting to scale back their value and time to attain profit. Organizations are attempting to convert their HR Practices in to E-HR Practices. Within the era of globalisation, firms wish to expand globally by reaching the individuals all across the globe firms required finish to finish visibility in their price chain and enhanced process efficiency throughout the organizations.

Industries in India like telecommunication business like Reliance and repair business like SBI- Gyanoday E –Learning Portal, Bank of Baroda are attempting to convert their HR practices into E-HR practices. These companies used completely different software's for various HR functions. These web technologies facilitate the organizations in achieving competitive advantage.

This organization shows the importance and want of digital tools in Indian business most of the businesses for his or her HR activities dependent upon third-party consultants, so that they would like additional specialists in their HR team. The conception behind E-HR is to make organizational culture that enhances the operating information of the employees by adding value to the business.

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WEB RESOURCES

http://www.bankofbaroda.co.in/hr_initiatives.asp

<http://www.appraisal-smart.com>