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# DIGITAL TRANSFORMATION IN HR: EXPLORING THE IMPACT OF ELECTRONIC HUMAN RESOURCE MANAGEMENT PRACTICES ON EMPLOYEE PRODUCTIVITY

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#### **ABSTRACT**

This research investigates the profound impact of digital transformation within human resources by examining the influence of Electronic Human Resource Management (e-HRM) practices on employee productivity. The study explores the multifaceted dimensions of e-HRM, including automation, data analytics, remote work support, and communication platforms, in enhancing organizational efficiency. The objective is to unravel the intricate connections between e-HRM and employee productivity, providing insights into how technological innovations reshape traditional HR functions. Through a comprehensive analysis, this research contributes valuable perspectives for HR professionals, organizational leaders, and scholars navigating the evolving landscape of digital HR management. Many of the functions and responsibilities formerly performed by HR personnel may now be automated using HR software and other technology solutions. Key findings underscore the pivotal role of e-HRM in streamlining processes, fostering a dynamic work environment, and optimizing workforce potential. The implications of this study extend beyond mere administrative convenience, emphasizing the strategic significance of electronic HR practices in cultivating a productive and responsive organizational culture.

#### **Keywords:**

Digital Transformation, e-HRM, HR Technology, Employee Productivity, Automation.

#### INTRODUCTION

The integration of Electronic Human Resource Management practices into organizational frameworks has become a pivotal aspect of contemporary workforce management. As businesses undergo digital transformations, the role of technology in HR processes has evolved beyond mere administrative convenience to a strategic driver of employee productivity. This introduction explores the intersection of e-HRM practices and employee productivity, delving into the overarching theme of how digital innovations in HR management contribute to enhancing organizational efficiency and workforce effectiveness. In recent years, advancements in technology have revolutionized the way human resource functions are executed. Traditional paper-based processes have given way to automated systems, self-service portals, and data-driven decision-making. These transformations not only streamline HR operations but also have profound implications for employee productivity.

Understanding the impact of e-HRM practices on employee productivity necessitates a comprehensive examination of key elements such as the automation of HR processes, the role of data analytics, the adoption of remote work facilitation, and the influence of communication and collaboration platforms. By exploring these dimensions, this study aims to contribute insights into how organizations can harness electronic HR tools to optimize their workforce, fostering a dynamic and productive work environment. The intricacies of electronic HR management practices and their implications for employee productivity, this research seeks to offer valuable perspectives for HR professionals, organizational leaders, and scholars alike.



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#### RESEARCH METHODOLOGY

**Research design:** According to Paulin V. Young, 'A research design is logical and systematic planning and directing a piece of research'. In simple language, research design is, the plan, structure, and strategy for investigation conceived, to obtain the answer to the research equation and control. The purpose of this study was to collect factual information and to explore the same. So research design is a descriptive study in nature.

**Universe:** The first step in developing any sample design is to clearly define the set of objectives, technically called the universe. The universe for this study consists of "The Indian Industry".

**Sample and sampling size:** Sample is the representative of the whole universe. Here, the researcher has used a simple random sampling method and selected 50 respondents from various employees of the Indian Industry which are randomly selected.

**Tool of data collection:** Primary data from the tool for the data collection will be through online Google form questionnaires. Secondary data from the Internet, journals, etc.

#### REVIEW OF LITERATURE

Umasankar Murugesan, Padmavathy Subramanian, Shefali Srivastava, Ashish Dwivedi, (2023), "A study of Artificial Intelligence impacts on Human Resource Digitalization in Industry 4.0", Many adjustments are needed to achieve Industry 4.0, one of which is the Human Resource (HR) role. In Industry 4.0, HR skills are more important and provide an advantage to the organization. To respond to the obstacles and requirements, HR capacity should be more cautious and adaptive. The investigation of AI's contributions to HR digitization and practices in Industry 4.0. This evaluation will include 271 HR professionals from information technology (IT), manufacturing, and administration who will focus on five AI applications in HR capabilities and three components of HR preparedness. The data gathered was analyzed using the SPSS programme and AMOS. The findings revealed that examining hierarchical organizations is an important aspect of achieving sustainable development.

Abedallah Farouq Farhan, Yashar Salamzadeh, Christopher Richardson (2021), "The Impact of E-HRM on Employee Productivity - Mediating Role of Innovation", The purpose of this study is to investigate the role of innovation as a mediator and organizational environment as a moderator in the link between e-HRM and employee productivity. Testing this link in the Emirati setting is a critical issue since it has been shown that organizations must incorporate innovation to improve employee productivity. A structured questionnaire survey is administered to 58 workers at organizations in the United Arab Emirates (UAE), and statistical analysis is performed to explore the links between the variables. This study discovered that e-HRM has a favorable influence on employee productivity and that the organizational environment moderates this link, with no evidence of innovation mediating. Efforts to build unique e-HRM services and features should thus be minimal, as innovation was found to have little effect on how e-HRM affects employee productivity.

Devi Rahnjen Wijayadne (2021), "Increased Employee Productivity with The Application of e-HRM", this study investigates the influence of e-HRM in increasing staff productivity in higher education. The purpose of this empirical study is to confirm and investigate the use of e-HRM in higher education. To comprehend the function of e-HRM in boosting employee productivity, Adaptive Structuration Theory (AST) is applied. Social and technical variables combine to influence group results. According to AST, the use of technology offers social frameworks for employees to participate in social interaction, which both facilitate and limit human behaviour inside the enterprise. The research models are analyzed using linear regression, and the results show that e-HRM usage has a beneficial influence on staff productivity, which supports AST. E-HRM can assist in streamlining operational HRM activities, accelerating HR processes, improving communication between stakeholders such as existing employees, potential employees, and management, reducing administrative tasks and HR staff headcount, and capturing, creating, and transferring some HR knowledge more accurately and quickly for employee training and development. These benefits can help boost employee productivity.

Nadiailhaq Nurshabrina and Riza Adrianti, (2020), "The Effect of E-Human Resource Management (E-HRM) on Cost Efficiency and Productivity of Employees in the Company", Human Resource Management evolves by employing information technology to improve its performance and to carry out the transformation of the firm's investment, therefore the most essential question is if the investment made helps the company. The purpose of this study is to investigate the influence of implementing E-HRM activities such as E-Recruitment, E-Compensation, E-

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Training, and E-Performance Appraisal on employee productivity and cost efficiency in the organization. This is a quantitative study that uses the SEM-PLS approach. This study's population is PT. Pertamina (Persero). The Directorate of Human Capital served as the study's sample, and the sampling approach employed was purposive sampling. According to the findings of SEM-PLS testing, the E-Compensation and E-Performance appraisal variables have a favorable and substantial influence on cost efficiency. Employee productivity is significantly influenced by E-Training variables. Meanwhile, the E-Recruitment variable does not influence cost efficiency or employee productivity.

#### ELECTRONIC HUMAN RESOURCE MANAGEMENT AND EMPLOYEE PRODUCTIVITY

Human Resources (HR) is a support function responsible for managing an organization's human resources, HR practices and policies have an impact on employee happiness, which in turn influences productivity. Traditionally, HR operations have been carried out manually, which entails paper-based activities and file-based record-keeping, which increases the possibility of service delay and inaccuracy. As technology progressed, it was incorporated into HRM, resulting in a move from HRM to e-HRM. E-HRM refers to the use of hardware, software, and internet-based technologies to integrate the HR processes for better coordination and control. E-HRM is a new method of managing human resources, where E-HRM will reduce company costs and increase the efficiency, effectiveness, and productivity of the company which leads to the company's survival and success.

E-HRM technologies will have a greater impact on staff productivity in the HR department. E-HRM will have a direct impact on their jobs, including fewer administrative procedures in HR because some processes are automated and make the activity process faster. Productivity evaluation involves two measurements: first, achievement of work objectives, and second, time or hours worked. Which of the following E-HRM activities, such as E-Recruitment, E-Compensation, E-Training, and E-Performance Appraisal, has the most positive and substantial influence on staff productivity and cost efficiency at the company? E-HRM actions that have a beneficial impact can assist businesses in reducing expenses and increasing employee productivity.

#### IMPACT EMPLOYEE PRODUCTIVITY ON E-HRM

Electronic Human Resource Management practices can significantly impact employee productivity. Through digital tools and technologies, HR processes become more efficient, leading to improved overall productivity within an organization. E-HRM practices include:

**Automation of HR Processes:** Streamlining tasks like payroll, attendance tracking, and performance evaluations through electronic systems reduces manual workload, minimizing errors and saving time.

**Employee Self-Service Portals:** Providing employees with digital platforms to manage their HR-related tasks, such as leave requests and benefits enrollment, enhances convenience and frees up HR personnel for more strategic activities.

**Data Analytics:** Utilizing data analytics tools can help HR departments make informed decisions regarding workforce planning, talent management, and identifying areas for productivity improvement.

**Remote Work Support:** e-HRM facilitates remote work by enabling online communication, collaboration, and performance monitoring, contributing to a more flexible and productive work environment.

**Learning Management Systems (LMS):** e-HRM systems can include LMS to deliver training and development programs efficiently; ensuring employees acquire the necessary skills for their roles.

**Performance Management Tools:** Digital tools for setting goals, providing continuous feedback, and conducting performance reviews enhance the effectiveness of performance management processes.

**Communication Platforms:** e-HRM supports effective communication within the organization, fostering collaboration and knowledge-sharing among employees, which can positively impact productivity.

**Mobile Accessibility:** Mobile-friendly HR applications allow employees to access HR services on the go, promoting responsiveness and accessibility.

Electronic HR management practices contribute to increased efficiency, better employee engagement, and streamlined processes, ultimately positively influencing overall employee productivity.



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#### DATA ANALYSIS AND INTREPRETATION

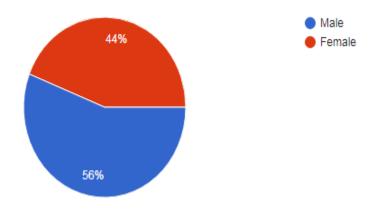
#### 1. Demographic profile

#### 1.1 Gender of the respondents

Table 1.1 Gender of the respondents

Gender	No. of respondents	Percent
Male	28	56
Female	22	44
Total	50	100

Chart 1.1 Gender of the respondents



#### 1.2 Age of the respondents

Table 1.2 Age of the respondents

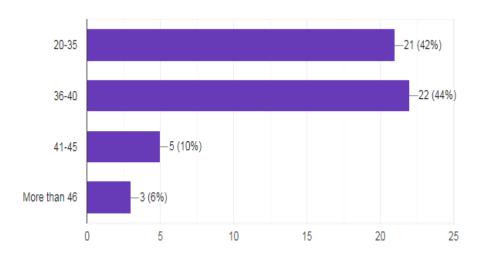
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Age	No. of respondents	Percent		
20-35 years	21	42		
36 – 40 years	22	44		
41–45 years	5	10		
More than 46 years	3	6		
Total	50	100		

Chart 1.2 Age of the respondents

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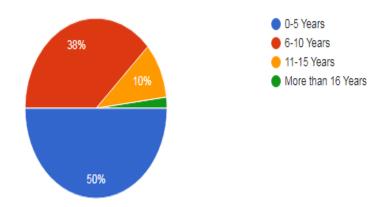


#### 1.3 Overall Experience of the respondents

Table 1.3 Overall Experience of the respondents

Tubic 1.5 Overall Experience of the respondents			
Experience	No. of respondents	Percent	
0-5 years	25	50	
6 – 10 years	19	38	
11–15 years	5	10	
More than 16 years	1	2	
Total	50	100	

Chart 1.3 Overall Experience of the respondents



#### 1.4 Sector of the respondents

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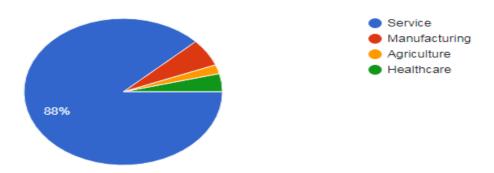
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Table 1.4 Sector of the respondents

Sector	No. of respondents	Percent
Service	44	88
Manufacturing	3	6
Agriculture	1	2
Healthcare	2	4
Total	50	100

Chart 1.4 Sector of the respondents



#### 2. Electronic Human Resource Management Practices

Chart 2.1 Electronic Human Resource Management Practices

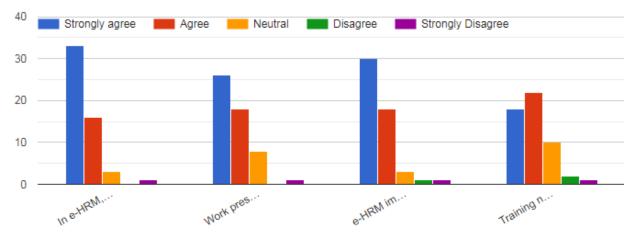
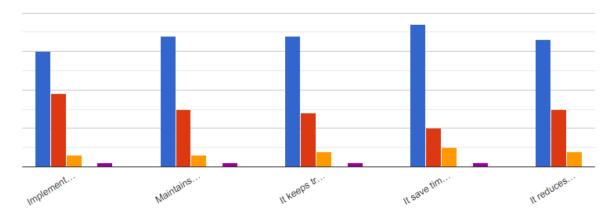


Chart 2.2 Electronic Human Resource Management Practices



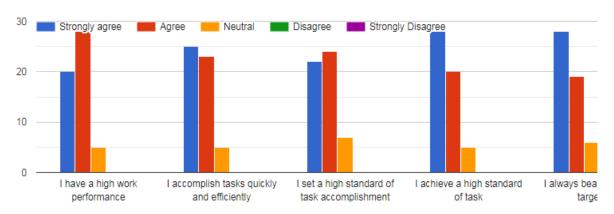
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#### 3. Employee Productivity

Chart 3.1 Employee Productivity



#### **Findings**

#### Demographic profile

- Among the respondents, 56 % were male and 44% were female.
- For age groups, 44% of participants were aged between 36-40, 42% of participants were aged between 20-35, 10% of participants were aged between 41-45 and 6% of participants were above the age of 46.
- For experience, 50% from 0-5 years, 38 % from 6-10 years, 10 % from 11-15 years, and more than 16 years from 2 %.
- For sector, 88 % of respondents were from services, 6 % respondents from manufacturing, 4 % respondents from the healthcare sector, and 2% respondents from the agriculture sector.

#### **E-HRM** practices

- The majority of respondents strongly agree 33%, that in e-HRM, data can be easily shared.
- The majority of respondents strongly agree that 26% that work pressure among the employees is reduced due to e-HRM.
- The majority of respondents strongly agreed 30 %, that e-HRM improves the quality of work.
- The majority of the respondents agree that 22% of the training is needed for operating e-HRM.
- The majority of the respondents say that strongly agree 30%, and agree 19% that the implementation of e-HRM is convenient and beneficial to use.



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- The majority of the respondents strongly agree 34 %, and 15% that maintaining records of employees and easy-to-update data and transactions:
- The majority of the respondents strongly agrees 34 %, and agrees 14% that it keeps track of each employee and stores complete information about them.
- The majority of the respondents strongly agrees 37 %, and agrees 10% that it saves time and is costeffective
- The majority of the respondents strongly agree 33 %, and 15% that it reduces paperwork and manpower.
- The majority of the respondents strongly agrees 33 %, and agrees 15% that employees are satisfied with the implementation of e-HRM.

#### **Employee Productivity**

- The majority of the respondents Agree 28 % strongly agree 20 % have a high work performance.
- The majority of the respondents said that strongly agree 25 %, and agree 23 % to accomplish tasks quickly and efficiently.
- The majority of the respondents agreed 24%, and strongly agreed 22% to set a high standard of task accomplishment.
- The majority of the respondents said that strongly agree 28% and agree 20% to achieve a high standard of task.
- The majority of the respondents said that strongly agree 28% and agree that 19% always beat our team targets.

#### **CONCLUSION**

This study has delved into the dynamic relationship between e-HRM practices and employee productivity, shedding light on the transformative impact of digital innovations within the realm of workforce management. The findings underscore the significance of e-HRM in not only optimizing HR processes but also in fostering a more productive and responsive organizational culture. The automation of HR processes has emerged as a cornerstone of efficiency, reducing manual workload and minimizing errors. Employee self-service portals have empowered individuals to take charge of their HR-related tasks, contributing to a more streamlined and agile workforce. The integration of data analytics has facilitated evidence-based decision-making, offering organizations insights into workforce trends and areas for improvement. In essence, the synergy between e-HRM practices and employee productivity is a testament to the evolving nature of HR management in the digital era. This research contributes to the growing body of knowledge in this field, providing insights for practitioners and scholars alike. As organizations navigate the complexities of the modern workplace, the role of e-HRM in shaping a productive and engaged workforce is poised to remain a focal point of strategic consideration in the years to come.

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