



# The Impact Of Digital Transformation On Strategic Human Resource Management

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**Abstract:** This study explores the impact of digital transformation on Strategic Human Resource Management (SHRM), focusing on how evolving technologies are reshaping HR functions and strategies. The main objectives are to assist how digital tools influence HR decision making, talent management and organizational agility, and to understand the readiness of HR professionals to adapt these changes. A mixed-method approach was used by, combining surveys of HR managers with in-depth interviews from diverse industries. Findings reveal that digital transformation significantly enhances HR efficiency, fosters data driven decision making, and supports strategic alignment with business goals. However, challenges such as skill gap, resistance to change, and technological infrastructure remain. The study concludes that while digital transformation presents clear opportunities for SHRM, its success depends on continuous learning, leadership support, and a strategic approach to change management.

**Keywords:** Digital transformation, strategic Human Resource Management, HR technology, Change Management, Organizational agility, talent management.

## I. INTRODUCTION

Digital transformation has emerged as an essential factor in the rapidly changing business environment of today, changing organizational structures, processes and capabilities. Human resource management, or HRM, is at the leading edge of this transformation, having evolved from a largely administrative role to a strategic partner in promoting corporate success. Aligning human capital with organizational objectives is now largely dependent on strategic human resource management (SHRM) and digital technologies are making this alignment happen faster than before.

The way HR functions are carried out has been completely replaced by digital transformation, which includes technologies like automation, cloud computing, data analytics, and artificial intelligence(AI). Digital technologies are helping HR professionals make data driven decisions, increase productivity, and provide individualized employee experiences in a variety of areas, from workforce planning and employee engagement to talent acquisition and performance management. In addition to increasing operational effectiveness, this change encourages creativity and agility in businesses.

It's essential to understand how digital changes impact strategic HRM as they continue to develop. It enables business to foresee shifts, create plans that are prepared for the future, and keep a competitive edge in an increasingly digital environment.

## II. OBJECTIVES

1. To perceive how HR roles and responsibilities have enhanced as a result of using digital tools.
2. To evaluate whether employee experience and engagement are enhanced by digital transformation.
3. To assess the challenges faced by HR department while adapting to new technology.
4. To analyze how digital advancement, affect strategic HR practices
5. To evaluate how digital tools might improve overall experience, productivity, and employee engagement.

### III. REVIEW OF LITERATURE:

**Zarina<sup>1</sup>, AjlalHaider, AsmaSuhail (2025)** A Case Study of Haier Group and Its Strategic Implications for Businesses- Using Haier group as an example, this study examines how HR practices are being shaped by digital transformation. HR departments needs to adjust as technology and people, Haier has improved hiring, training, performance management and employee engagement through the use of digital tools. The study also discusses the moral implications of HR models and the benefits and drawbacks of digitization, including increased employee happiness and cost savings but also difficulties maintaining a human touch. In the end, it emphasizes that businesses must continue to adapt their HR strategy with technology if they want to stay ahead.

**Khuzaini ,IdzaniMuttaqin , Budi Setiadi , M. Irpan , and SyahrialShaddiq (2024)** Human resource management is changing as a result of digitalization, which gives companies a competitive edge and modernizes conventional tasks. But it also demands for new HR skills and a change in workplace culture. This study examines the advantages of digital transformation in HR, the changing role of HR professionals, and creative approaches to enhance organizational performances. According to research, many HR professionals are still reluctant to use new technologies, even if digital tools like artificial intelligence, big data, and tech platforms improve strategic HR planning. Organizations must invest in digital initiatives to remain competitive, since the need for digital skills is increasing.

**Hasan Abdulsalam Ali Emran, Fathia.M. Elhony (2023)** This study examines how human resource management is being impacted by digital transformation, particularly in the field of education. Updating staff skills and expertise is becoming more and more important as education moves from traditional means to digital platforms. The study, which focused on the University of Fezzan and polled 37 administrative leaders, discovered that digital tools significantly influence HR practices. It also emphasizes how crucial it is to adopt technology in order to promote long-term sustainable development as well as efficiency. The main takeaway is that in order for business to remain productive in a world that is changing quickly, their HR procedures must adapt.

**MsFariza K N, Ms Jasmin S (2023)** Internet technology has transformed human resources in today's ever evolving business environment. Digital HRM, which employs technology to manage hiring, training, performance monitoring, and employee engagement, is the next evolution of traditional HRM. By automating repetitive tasks and supplying real-time data for improved decision-making, this change helps businesses operate more effectively. Additionally, it facilitates more intelligent hiring and retention practices and enhances the employee experience. Digital HRM increase an organization's competitiveness and flexibility. It also improves learning and development, resulting in a workforce that is more knowledgeable and driven.

**Tanvisharma, Dr. Richa Sharma, (2021)** This study examines how organizations in the public and private sectors are changing as a result of the rapid speed of digital change. It demonstrates how HR, which was formerly only thought of as a support function, is now a major force behind digital transformation. These days, HR directors use technology and digital tools to streamline procedures and establish a digital culture in their companies. The study investigates how HR is affected by digital transformation, the difficulties in using new technology, and the various digital solutions that improve HR efficiency.

### IV. RESEARCH METHODOLOGY:

Sample Technique	Convenience Sample
Research Design	Descriptive
Sample Size	107 samples
Period of Study	1 Month
Analysis Tools	Percentage Analysis, Chi-Square analysis.

### DATA COLLECTION:

- Primary Data: Well Structured questionnaire.
- Secondary Data: Books, Journal, Web Sources, Research articles.

**DATA ANALYSIS & INTERPRETATION:****Table 1: Age of the Respondents.**

Particulars	Frequency	Percentage %	Interpretation
21-25 years	35	<b>32.7</b>	32.7% of respondents belong to age category of 21-25 years, 29% of respondents belong to 26-34 years , 23.3% of respondents belong to 35-44 years and 15% of respondents belong to above 45 years.
26-34 years	31	29	
35-44 years	25	23.3	
Above 45	16	15	
<b>Total</b>	<b>107</b>	<b>100</b>	

**Table 2: Gender of the respondents**

Particulars	Frequency	Percentage %	Interpretation
Male	54	<b>50.5</b>	50.5% of respondents are male and 49.5% of the respondents are female.
Female	53	49.5	
<b>Total</b>	<b>107</b>	<b>100</b>	

**Table 3: Digital transformation in HR process**

Particulars	Frequency	Percentage %	Interpretation
Somewhat	10	9.3	The majority of respondents with 45.8% indicating it is fully digitalized and 44.9% moderately. Only 9.3% feel it is somewhat digitalized reflecting overall strong progression in digital adaptation.
Moderately	48	44.9	
Fully digitalized	49	<b>45.8</b>	
<b>Total</b>	<b>107</b>	<b>100</b>	

**Table 4: Improvement in HR operational efficiency towards digitalization**

Particulars	Frequency	Percentage %	Interpretation
Yes	97	<b>90.7</b>	The majority of respondents with 90.7% feels that there is improvement in HR operations where 9.3% believe there is still need for improvement.
No	10	9.3	
<b>Total</b>	<b>107</b>	<b>100</b>	

**Table 5: Influence of digital transformation in strategic HR decisions**

Particulars	Frequency	Percentage %	Interpretation
Strongly disagree	2	1.9	The majority of respondents 43.9% strongly agree that digital transformation positively influences strategic HR decision, with 33.6% agreeing, 20.6% remain neutral and only 1.9% strongly disagree.
Disagree	0	0	
Neutral	22	20.6	
Agree	36	33.6	
Strongly agree	47	<b>43.9</b>	
<b>Total</b>	<b>107</b>	<b>100</b>	

**Table 6: Usage of data analytics for strategic workforce planning**

Particulars	Frequency	Percentage %	Interpretation
Never	1	0.9	The majority of respondents 43.1% frequently use data analytics for strategic workforce planning, 33.6% use always, 15.9% sometimes, 6.5% rarely and 0.9% never.
Rarely	7	6.5	
Sometimes	17	15.9	
Frequently	46	<b>43.1</b>	
Always	36	33.6	
<b>Total</b>	<b>107</b>	<b>100</b>	

**Table 7: Influence of digital transformation in employee engagement and experience**

Particulars	Frequency	Percentage %	Interpretation
Greatly improved	72	<b>67.3</b>	The majority of respondents 67.3% believe digital transformation has greatly improved employee engagement and experience, with 30.8% stating it has slightly improved, 1.9%
Slightly improved	33	30.8	
No impact	2	1.9	
Negative impact	0	0	



<b>Total</b>	<b>107</b>	<b>100</b>	see no impact and none reported negative impact.
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**Table 8: Use of technology to support continuous learning**

Particulars	Frequency	Percentage %	Interpretation
Yes, effectively	57	<b>53.2</b>	The majority of respondents 53.2% feels use of technology supports continuous learning where, 44.9% feels need improvement and 1.9% feels no support.
Yes, but needs improvement	48	44.9	
No	2	1.9	
<b>Total</b>	<b>107</b>	<b>100</b>	

**Table 9: Digital transformation strengthens organization culture**

Particulars	Frequency	Percentage %	Interpretation
Strongly disagree	1	0.9	The majority of respondents 60.7% agree that digital transformation strengthens organizational culture, with 26.2% strongly agreeing, 11.2% remain neutral, 0.9% disagree and strongly disagree.
Disagree	1	0.9	
Neutral	12	11.2	
Agree	65	<b>60.7</b>	
Strongly agree	28	26.2	
<b>Total</b>	<b>107</b>	<b>100</b>	

**CHI-SQUARE ANALYSIS:****HYPOTHESIS:**

**Null Hypothesis H<sub>0</sub>**- There is no significant association between age and perceived impact of digital transformation on employee engagement and experience.

**Alternative Hypothesis H<sub>1</sub>**- There is a significant association between age and the perceived impact of digital transformation on employee engagement and experience.

<b>Age * Digital Transformation Influence Employee Engagement &amp; Experience Cross tabulation</b>						
		Digital Transformation Influence Employee Engagement & Experience			Total	
		No Impact	Slightly Improve	Greatly Improve		
Age	21-25 Years	Count	1	6	28	35
		% Within age	2.9%	17.1%	80.0%	100.0%
		% Within digital transformation influence employee engagement & experience	50.0%	18.2%	38.9%	32.7%
		% Of total	.9%	5.6%	26.2%	32.7%
		Count	1	17	13	31
	26-34 Years	% Within age	3.2%	54.8%	41.9%	100.0%
		% Within digital transformation influence employee engagement & experience	50.0%	51.5%	18.1%	29.0%
		% Of total	.9%	15.9%	12.1%	29.0%
		Count	0	5	20	25
	35-44 Years	% Within age	0.0%	20.0%	80.0%	100.0%
		% Within digital transformation influence employee engagement & experience	0.0%	15.2%	27.8%	23.4%
		% Of total	0.0%	4.7%	18.7%	23.4%

	Above 45 Years	Count	0	5	11	16
		% Within age	0.0%	31.3%	68.8%	100.0%
		% Within digital transformation influence employee engagement & experience	0.0%	15.2%	15.3%	15.0%
		% Of total	0.0%	4.7%	10.3%	15.0%
Total		Count	2	33	72	107
		% Within age	1.9%	30.8%	67.3%	100.0%
		% Within digital transformation influence employee engagement & experience	100.0%	100.0%	100.0%	100.0%
		% Of total	1.9%	30.8%	67.3%	100.0%

Pearson Chi-Square - .024; Likelihood Ratio- .020

**INFERENCE:** The Chi-Square tests shows that, there is a statistically significant association between age and digital transformation in influencing employee engagement and experience. The Pearson Chi-Square test returned a p-value of 0.024, and the Likelihood ratio also showed a p-value of .020, both of which are less than the significance level of 0.05, meaning we reject the null hypothesis.

#### **HYPOTHESIS:**

**Null Hypothesis H<sub>0</sub>:** There is no association between Gender and use of technology support towards continuous learning and development.

**Alternative Hypothesis H<sub>1</sub>-** There is association between gender and use of technology support towards continuous learning and development.

#### **Gender \* Technology Used To Support Continuous Learning & Development Crosstabulation**

			Technology Used To Support Continuous Learning & Development			Total
			Yes, effectively	Yes, but needs improvement	No	
Gender	Male	Count	38	15	1	54
		% Within Gender	70.4%	27.8%	1.9%	100.0%
		% Within technology to support continuous learning & development	66.7%	31.3%	50.0%	50.5%
		% Of Total	35.5%	14.0%	.9%	50.5%
	Female	Count	19	33	1	53
		% Within Gender	35.8%	62.3%	1.9%	100.0%
		% Within technology to support continuous learning & development	33.3%	68.8%	50.0%	49.5%
		% Of Total	17.8%	30.8%	.9%	49.5%
Total		Count	57	48	2	107
		% Within	53.3%	44.9%	1.9%	100.0%

	Gender				
	% Within technology to support continuous learning & development	100.0%	100.0%	100.0%	100.0%
	% of Total	53.3%	44.9%	1.9%	100.0%

Pearson Chi-Square - .001; Likelihood Ratio- .001.

**INFERENCE:** The Chi-Square tests shows a statistically significant association between Gender and the use of technology to support continuous learning and development. The Pearson Chi-Square value shows a p-value of .001 and likelihood ratio also showed a p-value of .001, both of which are less than the significance level of 0.05, Hence, we reject the null hypothesis.

## V. MAJOR FINDINGS:

- **32.7%** of the respondents belongs to the age category of 21-25 years.
- **45.8%** of the respondents says that the HR process are fully digitalized in their organization.
- **90.7%** of the respondents feels that there is improvement in the HR operational efficiency.
- **67.3%** of the respondents believes that digital transformation has greatly improved employee engagement and experience.
- **53.2%** of the respondents feels that use of technology supports continuous learning and development.
- **60.7%** of the respondents agree that digital transformation strengthens the organizational culture.
- Chi-Square analysis indicates that, there is a significant relationship between age and digital transformation.

## VI. SUGGESTIONS:

- As digital transformation depends upon ongoing learning, organizations should launch age and role specific training programs to motivate employees to adapt to new digital HR systems.
- Build a positive attitude towards technology adoption by conducting awareness session, mentoring programs pairing younger and older employees
- Providing upskilling and reskilling programs to bridge the skill gap.
- Invest in cyber-security and data privacy measures to protect confidential HR data.
- Foster the use of e-learning platforms, AI-enabled learning management systems to support lifelong learning.
- Employees who actively participate in continuous learning need to be acknowledged and rewarded.

## VII. CONCLUSION:

- This study conclusively indicates that digital transformation is a strategic HRM facilitator that improves company culture, employee engagement, decision-making abilities, and operational efficiency. However, the success of these initiatives depends on solid technological infrastructure, continuous learning, effective change management, and leadership support. The strong correlation between age and the adoption of digital strategies need to be inclusive and adaptable.
- In conclusion, the best positioned organization to enjoy the benefits of digital transformation in SHRM will be those that strategically combine technology with human-centric approaches, bridging skill gaps, adapting to generational demands, and integrating digital tools into the culture.

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