A STUDY ON "DIGITALIZATION OF HR PRACTICES" AT LENOVO INDIA PVT LTD, PUDUCHERRY

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Abstract

This study aims to examine the impact of digitalization on HR practices in the modern workplace. The research focuses on the adoption of technology in HR processes such as recruitment, performance management, and employee engagement. The study also explores the challenges organizations face in the digital transformation of HR practices and the benefits that come with embracing digital HR solutions. The findings will provide insights for HR professionals and organizations on the current state and future direction of digital HR practices.

Data was collected through surveys and interviews with HR professionals in various organizations. Results showed widespread adoption of digital HR tools, with a positive impact on efficiency, accuracy, and accessibility of HR processes. However, challenges such as data privacy and security, resistance to change and inadequate digital skills were also identified. The study highlights the importance of balancing the benefits and challenges of digital HR and suggests a strategic approach to digital HR transformation.

Keywords: Recruitment and Selection, Training and Development, Performance Appraisal, Compensation, Digitalization Technologies

1. INTRODUCTION

The main organizational change lies in the use of internet and digitalization. This has revolutionized the way information is exchanged and has enabled organizations to reach out to a wider audience than ever before.HR professionals need to adapt to the increasing competition for digitally-transformed global organizations and advanced HR technologies. To cope with the technological changes in organizations, HR practices need to incorporate new technical knowledge, skills, and abilities for the future. This requires strategic efforts from management to facilitate the planning, recruitment, selection, training, and development of employees to achieve the common goals of the organization and bridge the gap between the old and new generations.

The HR function, like other functions in various industries, has been transformed and improved by digital technology. Over the last two decades, digital tools such as online job boards, applicant tracking systems, and professional networking sites like LinkedIn, Facebook, and Twitter have greatly influenced HR processes, from job postings and applications to recruitment, onboarding, employee engagement, performance management, and even employee separation, including gathering valuable insights during exit interviews. HR has gradually replaced repetitive manual processes with automation.

The digitalization of HRM is not just a cosmetic change, and HR leaders must acknowledge that it represents a significant shift that requires careful handling. Employees must be guided through the process of change to prevent any disruptions. It's important to remember that the journey to digital HR also comes with its own set of challenges. The transition requires a significant amount of bandwidth from team members and has the potential to affect the organization's productivity as a whole.

1.1 OBJECTIVES

- ➢ To Analyze the Effect of E-HRM Practices on Employee Satisfaction.
- ➢ To Ascertain the Effect of DHRMS with Job Performance.
- ➢ To identify the challenges faced in this Digital Transformation.

2. REVIEW OF LITERATURE

The Relationship between Recruitment and Selection and Digitalization

Due to the widespread use of technology, traditional recruitment and selection practices have been largely

replaced by their electronic equivalents. Social networking sites like LinkedIn and Facebook have become increasingly popular platforms for recruitment. Research by Mochi et al. indicates that online networking provides easy access to a wide pool of potential candidates with various skills and abilities, speeding up and streamlining the recruitment process. These platforms are also effective in recruiting passive candidates who may not be actively seeking new employment opportunities. Additionally, job seekers can learn more about organizations and their job openings.

The Relationship between Training and Development and Digitalization

Over the last few decades, the adoption of digital technologies has brought about significant changes in the way people work. According to Aboramadan et al., training plays a crucial role in enhancing employee satisfaction, commitment, and overall performance. It is a structured process that provides knowledge, skills, and attitudes, which can lead to improved employee performance in specific situations. Training is a crucial HR activity for companies because it ensures the achievement of organizational objectives. Similarly, Shafiq and Hamza's research suggests that digital technology, such as e-learning, has a positive impact on training and development. It helps employees enhance their transferable skills, which are valuable in current and future work environments, such as group working, online collaboration, and interpersonal skills.

Relationship between Performance Appraisal and Digitalization

Several authors have studied the impact of digital technology on performance appraisal. As per the research conducted by Naz and Khan, the use of digital technology has significantly influenced the performance appraisal process of employees at Pak Elektron Ltd. in Pakistan. The HR and IT departments have worked together effectively in leveraging digital technology to improve performance appraisal. The process of performance appraisal was enhanced by adopting a paperless approach, supported by data innovation.

Relationship between Compensation and Digitalization

Digital technology forms the backbone of human resource functions that cater to organizational needs across web-based channels. These channels enable supervisors, employees, and HR professionals to access, view, analyze, or modify data crucial to managing an organization's HR practices. Rao and Vaidya's research conducted in India revealed that upgrading to an electronic payroll system helped organizations streamline their employee remuneration process. Human resources information system (HRIS) software has also facilitated many organizations to manage their personnel administration, calculate payroll, and generate various reports, including statutory reports. Digitalization of payroll has allowed organizations to adopt simplified and innovative HR practices that entail reduced time, maintenance, and staffing costs. Furthermore, it has helped organizations monitor employees' productivity.

3. METHODOLOGY OF THE STUDY

Study is based on both, primary and secondary data. Primary data was collected using the structured questionnaire. 130 Respondents were selected through sampling method from Lenovo India Pvt. Ltd. Individual Employee was categorized on the basis of demographics and Questions are framed by Considering various factors like, recruitment, Training, Employee satisfaction, Challenges and Employee performance. Secondary data was collected through various research papers, websites and articles.

4. DATA ANALYSIS AND INTERPRETATIONS

Table1. Showing Correlation Analysis of Variables.

Correlations

		Satisfaction level of Convenience at Work After this Digital Transformation	DHRM improves your skillset
Satisfaction level of Convenience at Work After this Digital Transformation	Pearson Correlation	1	.280**
	Sig. (2-tailed)		.325
	N	130	130
DHRM improves your skillset	Pearson Correlation	.280**	1
	Sig. (2-tailed)	.325	
	N	130	130

**. Correlation is significant at the 0.01 level (2-tailed).

Table2. Showing Regression Analysis Of Various Factors

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
?1	.056a	.033	-.005	1.06862

a. Predictors: (Constant), Meeting conducted through digital mode

ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	.453	1	.453	.397	.002b
	Residual	146.170	128	1.142		
	Total	146.623	129			

a. Dependent Variable: Opinions are valued at work after Digital Transformation

b. Predictors: (Constant), Meeting conducted through digital mode

Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.916	.285		10.233	.000
	Meeting conducted through digital mode	-.058	.092	-.056	-.630	.530

a. Dependent Variable: Opinions are valued at work after Digital transformation.

Table3. Showing Correlation Analysis of Satisfaction Level of Various Factors

CORRELATIONS

		work Environment	Salary and Incentives	Awards and Recognition	Growth Opportunity	Benefits	Communication
Spearman's rho work Environment	Correlation Coefficient	1.000	.291**	.000	-.197*	-.157	-.321**
	Sig. (2-tailed)		.001	.997	.025	.074	.000
	N	130	130	130	130	130	130
Salary and Incentives	Correlation Coefficient	.291**	1.000	.080	-.012	-.306**	-.087
	Sig. (2-tailed)	.001	.	.367	.896	.000	.326
	N	130	130	130	130	130	130
Awards and Recognition	Correlation Coefficient	.000	.080	1.000	.201*	-.151	-.138
	Sig. (2-tailed)	.997	.367	.	.022	.087	.117
	N	130	130	130	130	130	130
Growth Opportunity	Correlation Coefficient	-.197*	-.012	.201*	1.000	-.063	-.071
	Sig. (2-tailed)	.025	.896	.022	.	.479	.421
	N	130	130	130	130	130	130
Benefits	Correlation Coefficient	-.157	-.306**	-.151	-.063	1.000	-.075
	Sig. (2-tailed)	.074	.000	.087	.479	.	.394
	N	130	130	130	130	130	130
Communication	Correlation Coefficient	-.321**	-.087	-.138	-.071	-.075	1.000
	Sig. (2-tailed)	.000	.326	.117	.421	.394	.
	N	130	130	130	130	130	130

**. Correlation is significant at the 0.01 level (2-tailed).

*. Correlation is significant at the 0.05 level (2-tailed).

5. FINDINGS

- Growth Opportunity, Benefits and Communication have Significant relationship between them and the salary and incentives, Awards and Recognition doesn't Have a Significant relationship. Since, **Pearson Correlation** Value is 1 for Work Environment it is a "Positive Correlation".

- Satisfaction level of Convenience at work and DHRM improves your Skillset has a Significant linear Relationship (r=.325, P>.001). Since **Pearson Correlation** Value is 1, It Indicates a **"Positive Correlation"** between satisfaction level and Skillset improves after this digital Transformation.

- The R value represents the simple correlation and is 0.056 (the "**R**" Column), which indicates a Low degree of correlation. The R^2 value (the "**R Square**" column) indicates how much of the total variation in the dependent variable, can be explained by the independent variable. In this case, 3.3% can be explained, which is very Small.

- The regression model predicts the dependent variable significantly well. Look at the "**Regression**" row and go to the "**Sig.**" column. This indicates the statistical significance of the regression model that was run. Here, $p < 0.0005$, which is less than 0.05, and indicates that, overall, the regression model statistically significantly predicts the outcome variable (i.e., it is a good fit for the data).

- While looking into Work goals Align with company goals 33.1% people are agree with the statement and 33.1% people stay neutral due to unaware of the work environment.

- From the Data Gathered, 26.2% people Agree that they can Plan, Manage and Finish work in time after this digitalization.

6. CONCLUSION

In conclusion, digitalization has transformed the HR function in many organizations, bringing benefits such as improved efficiency, accuracy, and accessibility. Despite these benefits, there are also challenges that must be addressed, including data privacy and security, resistance to change, and inadequate digital skills. Organizations must carefully consider these factors when embarking on a digital HR transformation and adopt a strategic approach that balances the benefits and challenges of digital HR. Overall, the study provides valuable insights into the current state of digital HR practices and the opportunities and challenges of digital HR transformation.

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