

## **INFORMATION TECHNOLOGY'S IMPACT ON HUMAN RESOURCE MANAGEMENT**

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### **ABSTRACT**

Rapid advancements in information technology (IT) investment and innovation provide opportunities for doing business in ways that are fundamentally different from the past. Despite the fact that IT is becoming more prevalent inside enterprises, we are still unsure of how it affects professionals' roles. We address this problem by looking at how the increased usage of IT within the human resource department affects employment in one particular occupational sector, human resources (HR) specialists. The paper is a qualitative study with a primary focus on secondary data. The researcher's goal was to determine the evolution and efficiency of information technology's impact on human resource management. As secondary sources, viewpoints, textbooks, articles, the internet, research papers, and databases were also utilized for assembling the data and information required for this study.

### **Keywords**

Effectiveness, Growth, Human Resource, Information Technology, Impact, Point of View, Development.

### **INTRODUCTION**

The usage of human resource information systems, which at first had a fairly basic structure, has a significant influence of information technology on human resource management duties. Human resource

information systems are what these programmes are called. The organization's units and system users are the only ones who are human resources experts in their respective fields. Although it is also feasible to enhance commercial services provided by the firm, the goal of such systems is to enhance the procedure in the human resources division. The introduction of information technology and its widespread use in the 1990s had a significant impact on human resource management, as well as many other aspects of the company. The introduction of the human resources portal, a repository of data on human resources including information on incentives, benefits, educational opportunities, knowledge management, and continuous learning, has contributed to the growth and impact of Internet use. The required data concerning human resources may be accessed online by workers via these portals. Self-service services for human resources have developed thanks to these portals. In this approach, a lot of the routine duties associated with human resource management have been delegated to staff members, and paper games, the engagement of human resources professionals in routine administrative chores, and the occurrence of protracted delays have all been avoided. There were more modifications made to human resource management. The objectives, efficacy, and performance of this discipline have been significantly altered by the advent of new ideas like ehuman resource management. While HR professionals may accomplish their duties with the aid of human resource information systems, e-HRM supports managers and workers in carrying out their daily duties while facilitating organisational growth and transformation. In order to save costs, boost productivity, and enable managers and people to execute their jobs to the best of their abilities, information technology may be used to manage human resources in a macro-strategy of strategic human resource management.

However, despite the fact that using information technology to support human resource management costs money, businesses stand to benefit from a number of possibilities if they choose to ignore those costs. To build e-HRM, several models have been put forward, each of which places emphasis on a different area of HRM. For instance, the O'Brien-Palasz and Bowman frameworks were the basis of the Tamlin model, which concentrated on the problem of human resource planning. The idea developed by Tomilino, Palasz, Alexnis, and their associates forms the foundation of the e-HRM framework. Using the function of information technology in this industry as a guide, this model is intended to pinpoint key aspects of human resource planning. Human resource information systems are used in e-human resource management, which is thought of as the basis for putting human resource plans, policies, and activities into practise inside the business. These systems comprise databases, hardware, and software that are used to provide data for human resource decision-making, analysis, and assessment.

## **HUMAN RESOURCE MANAGEMENT:**

Human resource management (HRM) include procedures that guarantee the contributions of workers' combined knowledge, talents, and skills to corporate objectives. HRM was traditionally thought of as managing, monitoring, and regulating an organization's staff. technical or tactical. Selection evaluations, training, performance evaluations, and benefit administration are all part of HRM (Whitener, 1997). The

second component of HRM activities defined experimentally by Huselid et al. (1997) is strategic HRM, which includes employee empowerment, communication, the design of team-based work, and the training of organisational management. Commitment and control are two categories of human resource systems comparable to those discovered by Huselid et al (1997), according to Arthur (1994). The commitment-based human resource system is concentrating on the psychological ties between company and employee objectives. It is linked to more engagement, training, incentives, and management decision-making. According to Arthur (1994), a human resource system built on control focuses on directly observing and rewarding employee behaviour or the particular results of such conduct. According to the theoretical literature, HMR techniques boost productivity by boosting workers' motivation and skill levels. Additionally, HRM practises support corporate goals via strategic innovation or technical proficiency. The fundamental tenets of HRM theory were reinforced by recent empirical investigations on bigger organisations.

## **INFORMATION TECHNOLOGY**

In its most basic form, information technology refers to the science of employing a collection of tools for processing, storing, collecting, storing, disseminating, transmitting, and applying security to information. This concept is quite straightforward and obvious for individuals who wish to get familiar with IT knowledge.

Information technology is used to promote human awareness and order in implementation since information is the source of knowledge and insight in humans. The three major axes of information technology are thinking software (knowledge management), software, and hardware. Information technology is the dominant area of computers and has a totally separate position, but overall, with the birth of this sector, the field of computers has seen a significant transformation. The world is changing at an ever-increasing rate thanks to information technology today, and these changes can be seen in every aspect of economic, social, and cultural life. But the field of information technology is very young.

It may not be bad to know that the world's most profitable employment are in the area of information technology, usually known as IT for short. Information technology is one of the most well-liked and exciting subjects you can study. You can see for yourself if you check at the list of the wealthiest individuals in the world, thus it is not surprising that many people are drawn to this line of work.

## **REVIEW OF LITERATURE**

According to Kamal, Ashish Kumar (2020), information technology is increasingly integrated into human capital management as a structural element and tool that influences the design of organizations, business processes and communications. Even as IT impacts HR, employees, customers and suppliers have higher expectations of HR operations. By focusing on strategic HR rather than management and people management, IT is expected to improve HR performance.

Information technology is crucial to the development of companies in general as well as to the efficiency and productivity of human resources. because a company's most valuable asset and most important strategic asset is its people resources. However, in the modern world, a country's standing in the hierarchy of world divisions is now determined by its access to high-quality human resources that are highly productive, possessing innovative and cutting-edge knowledge and procedures, and possessing information technology capabilities. When human resource training has as its mission the success and expansion of companies.(Nzari, 2020)

Use of IT in the Nigerian banking industry, according to Adewoye J.O. and Obasan Kehinde A (2021) have had a major impact on HRM practice. Create surveys using systematic questionnaires and primary data. After introducing and continuously improving the usage of IT, the efficiency of activities such as the efficiency of human resource management activities and procedures, employee communication and engagement, and the roles and skills of human resource managers have increased significantly.

The information age has been used to describe the contemporary era. Information technology has changed how people think and act in this day and age, affecting many facets of daily life. Additionally, as organisations are among the ideas and institutions that have been significantly impacted by information technology, it is difficult to envisage a modern organisation without technology and its use. In reality, firms need to use information technology if they want to exist. This implies that companies must be structured in order to achieve productivity and development, and they also require effective human resources. (Qaraqina 2021 )

## **METHODOLOGY**

This study utilizes methodological application since it evaluates the effects of information technology on human resource management while taking into account the conceptual framework for the study and the variables taken from the literature. On the other hand, this study is also descriptive in the sense that it outlines the connections between the different factors. So, to sum up, this study is both descriptive and applied.

### **Data Collection Method**

It is a qualitative study with a primary focus on secondary data. The researcher's goal was to determine the evolution and efficiency of information technology's impact on human resource management.

As secondary sources, viewpoints, textbooks, articles, the internet, research papers, and databases were also utilised. for assembling the data and information required for this study.

### **Objective of Study:**

1. To examine Information Technology's impact on Human Resource Management

2. To analyze Information Technology's impact on Human Resource Management from growth and effectiveness points of view

## **LIMITATIONS**

There are always difficulties and restrictions in research; some of these restrictions are listed here.

1. Organizations' unwillingness to work with researchers to understand how information technology affects human resource management as a result of organisational development and effectiveness, which, regrettably, increased the burden on researchers in this study.
2. Having the incorrect culture to private reliable sources, this hinders people and organisations from sharing their discoveries with researchers.
3. There are no comparable studies in the researcher's area of study.

## **Information Technology's impact on Human Resource Management**

The management of human resources, like other aspects of the company, was significantly impacted by the introduction and proliferation of information technology in the 1990s. This has prevented paperwork, employee engagement in administrative and everyday responsibilities related to human resources, and many delays in the completion of tasks by delegating many of the daily tasks of human resource management to workers. While assisting managers and staff in carrying out their routine duties, electronic human resource management also speeds up organizational development and transformation. As much as we can say, human resource management techniques are evolving as a result of the introduction of information technology in the workplace. If we first determine the tasks that information technology is capable of doing and give the foundation for these tasks, this transition may be successful. Human resource management has subsequently gotten accustomed to the changing circumstances in order to enhance the effectiveness of the organization's human resources by using the capabilities that information technology may provide.

The following are some outcomes of using information technology on human resource management roles.

1. **Recruiting and Training:** Recruitment is a problem where technology is having a huge impact on talent. Before the Internet, recruiters had to rely on print media, such as newspapers, to post job listings and recruit candidates for vacancies. However, the recruiter was unable to post the job openings on one or more of her websites and allow millions of people to view them all at the same time. Other methods such as networks were also used. In the hands of the right recruiters,

technology has also made hiring more efficient. HR personnel training can be more successful in training new hires thanks to information technology. With remote access to company data and training materials, trainers no longer need to interact directly with new hires for every training session. Of course, some degree of communication is always necessary, but computer-generated classroom training allows HR managers to quickly educate large numbers of employees and track progress using computer-based testing systems.

2. **Data Storage & Retrieval:** HR experts frequently need to process and store many records for significant stretches of time. The utilization of electronic pictures has empowered associations to store and recover data in electronic structure. ICT has made it simple for HR experts to print the reports they need for their representatives.
3. **Performance Management:** Improved performance management is another advantage of technological advancement. Human resources professionals may utilise computer technology to evaluate employee performance and get employee feedback for use in enhancing the company. Human resources workers may examine employee performance using metrics to make sure that employees are fulfilling performance criteria thanks to a variety of software applications. Employees who fall short of expectations may get more training or be fired in order to make room for a suitable successor.
4. **Ethics & Employee Rights:** Employee confidentiality rights are at odds with a company's need for control when it comes to electronic employee investigations by employers. The moral conundrum of how far an employer should monitor the conduct of workers who work on computers is further exacerbated by the growth of more powerful monitoring tools.
5. **Payment of Market Value to Employees:** Today, it is becoming increasingly difficult for companies to attract and retain technical and professional employees. Many people enjoy a variety of attractive incentives and benefits not available to non-managers, such as contract bonuses, stock options, cars, free gym memberships, full-time on-site caregivers, and cell phone subsidies. I am submitting a welfare application. While these incentives are beneficial to recipients, they also have downsides. One is the effect it has on others who do not receive these benefits. Another is the snowball problem associated with stock options. Stock options can discourage employees because it looks great when the company is expanding and the stock market is optimistic about the company's future.
6. **Communications:** The guidelines for communication are currently being revised. Communication is no longer restricted since these regulations were designed around extensive, linked information networks. Employees can quickly communicate with anybody, anywhere, at any time. For \$5 a month, everyone of the 400,000 workers at Ford Motor Company received a home computer and Internet connection. This made it possible for Ford Management to stay in contact with its staff, as well as enabling staff members to easily connect with one another and have quick access to business resources. These open communication platforms dissect previous

firm communication flow patterns. They also alter how tasks like meetings, discussions, monitoring, and water cooler chat are carried out. For instance, virtual meetings make it possible for individuals in geographically distant areas to regularly interact. Additionally, it is now simpler for staff members in Charlotte and Singapore to exchange confidential firm information than it is for those offline staff members who operate in different compartments. Additionally, workers in certain businesses even have websites that are becoming into electronic rumor mills.

7. **Work-Life Balance:** More and more workers are putting in 12-hour days in addition to working six or seven days a week. The workplace culture trend seems to be leading with many of today's innovative companies. Individuals are presently being supposed to work 60 to 70 hours seven days by these organizations. Add the propensity for innovation to tangle the qualification among work and home as well as the sharp expansion in two-vocation couples. People are becoming more and more aware of how work is affecting their personal life. And many people are debating this way of life. One of the most important upcoming concerns for HRM is probably going to be finding a healthy balance between work and home life.

## **FROM A GROWTH AND EFFECTIVENESS POINT OF VIEW, INFORMATION TECHNOLOGY'S IMPACT ON ORGANIZATION**

Like the application of new technologies, the use of information technology in organisations has an impact on all economic sectors. Information technology is employed in production not only as an additional conventional form of capital but also as a replacement to other inputs, resulting in increased output and factor of production productivity. Information technology has several characteristics with knowledge, such as its noncompetitive nature and limitless potential for growth. Three categories distinguish the effects of technology on an organization's expansion and productivity: In the first instance, technology had an influence on embodied capital products, which raised capital productivity. In the second scenario, information technology boosts workforce expansion and productivity in businesses. In the third scenario, total productivity technology is viewed as neutral Hicks technology since it doesn't always boost capital or labour productivity in businesses. In certain developing nations, the expansion of organisations and the development of information technology happened at the same time beginning in the late 1980s and early 1990s. In terms of how information technology affects organisational efficiency, varied outcomes have been seen across different sectors (positive or negative). Information technology, however, has a favourable effect on the productivity and expansion of businesses, and studies looking at its effects at the enterprise level have shown that it is more effective than other forms of capital in businesses. The usage of information and communication technology influences how information technology impacts the performance of industrial companies, hence it is crucial to look at how this relationship plays out. Notwithstanding the substantial expenditures made to

expand the use of information and communication technology, many scholars still cannot agree on the return on such expenditures based on firm success. Some experts claim that new technology is perplexing, seldom improves performance or productivity, and that because of the burdensome quantity of data it places on users, the workforce at work often shrinks. Another problem is that, in addition to other effects on companies, information technology has significantly boosted such organisations' economic development. Traditionally, organisations expand in order to lower transaction costs. Information technology has the capacity to lower expenses to a certain extent, move the cost curve inward, and enable revenue growth without expanding or contracting in size. Information technology may lower the cost of internal management, and agency theory contends that individuals who are more concerned with their own interests than with organisational cohesiveness and financial forecasts are in charge of the company as a collection of contracts. It appoints workers to carry out the task on his behalf. Employees must be constantly managed and observed because, if not, they will prioritise their own interests above those of the business owners.

## **CONCLUSION**

Rising client expectations and the development of information technology over the last ten years have forced businesses to be adaptable in their hunt for performance solutions.

One of every organization's most important inputs is information. The dependability and stability of the organization's human resources are increased through valuable information.

Information technology is being used in companies to gather, process, and store information. In the past, there have been more papers with information accessible. As a result, it could only be disclosed and supplied to a certain individual at one location. Since planning, organising, leading, and controlling are managerial tasks that are essential to an organization's success, and carrying out these tasks effectively also requires access to the right information, an organisation cannot advance without information tools and without developing the skills required to use information technology. Additionally, it is difficult to educate staff members, supervisors, and clients so they are empowered in executive and current affairs.

Theorists in management science concur that efficient information technology utilisation boosts the efficiency of human resources and accelerates organisational expansion. This clarifies roles and holds human resources responsible for supporting and delivering improved services. Human resource managers may utilise fewer staff members and contribute more valuably to the business thanks to increased and improved office productivity and the usage of different forms of technology.

Therefore, it can be claimed that the massive information technology process requires new human resource management strategies that call for people to have in-depth understanding of information systems and how to use them to their greatest advantage. Furthermore, the system's conventional



structures will undergo major modifications as information technologies adapt to new and adaptable frameworks.

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