



Impact of Technology on Working of HRM in India

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Abstract: *Technology has changed the business world many times over. In the Information Age, the advent of computers and the Internet has increased that impact significantly. Many businesses cannot even function without the use of computer technology. This impact is seen in nearly all areas of business, including human resources, where technology continues to have a significant impact on HR practices. Here author is trying to provide a brief idea regarding impact of technology on working of HR department.*

Keywords: *Information, Computer, business, HR Practices, technology.*

I. INTRODUCTION

Technology has affected human resource management in a number of ways (Kossek, 1987). The impact of rapid structural changes in India saw evolution and development of technological sophistication. Indian organizations needed to cope with the need to develop a highly diverse work force into well trained, motivated and efficient employees with the subsequent de – skilling, re- retaining and multi skilling problems, workforce reduction policies, retention and career development (Venkata Ratnam, 1998). Increased access enabled employees to be privy of information that was once only a managerial perspective, which has ramifications for power relations and task environments that encourage additional strategic human resource management (SHRM) innovations (Kossek, 1987). As Human Resource functions and the demand for services continue to grow in scope and depth, so does the need for a multi-functional, operationally effective, adaptable information system to support service and data requirements. With many functions to track and huge amounts of information to process frequently and accurately, HR executives have turned to information technology (IT) to help them meet their organization’s information needs. Human Resources (HR) and information technology are the two elements that many firms are learning to use as strategic weapons to compete (Jenkins and Lloyd, 1985). To capitalize on the synergy between these two assets, human resource information systems (HRIS) is an emerging exploratory area that is leading human resource management into a new era. Human Resource Information System uses the information technology developments and features for effective functioning of the HR processes.

II. LITERATURE REVIEW

To simplify the terminology, HRIS represents computerized personnel information that helps facilitate human resource management (HRM), ranging from simple record-keeping to sophisticated decision support systems. Benefits of employee involvement through company-wide communication channels and employee development via self-paced, computer-based training will not be covered. HRIS provides an electronic database for the Storage and retrieval of HR data that is, at least potentially, available to anyone allowed access it. Importantly, an HRIS can be designed in different ways, depending on the perceptions and knowledge of those involved. For example, an HRIS may be used simply as an electronic filing system, for automating HR operational processes or it may be used to enable a more strategic approach to the management of human resources. HRIS is used to acquire, store, manipulate, analyze, retrieve, and distribute pertinent information regarding an organization’s human resources (Kavanagh et al., 1990: 16). Its development has been evolutionary. More recently, HRIS is being advocated to support decision-making processes in order to gain sustained competitive advantages (Broderick and Boudreau, 1991). The breadth and depth of computerization in human resource information varies depending on its developmental stage.

III. IMPACT OF TECHNOLOGY ON HRM

1. New skills required:

As new technologies are developed and implemented, there is an urgent need to upgrade existing employee skills and knowledge if the organization wants to survive and flourish in a competitive world. Additionally there will be growing demand for workers with more sophisticated training and skills especially in emerging ‘hot’ sectors like telecommunications, hospitality, retailing, banking, insurance, biotechnology and financial services. For example, service sector employee requires different skills than those utilized in manufacturing. They need strong interpersonal and communication skills as well as the ability to handle customer complaints in a flexible way.

2. Downsizing :

New Technologies have decimated many lower end jobs with frustrating regularity. Increased automation has reduced employee head counts everywhere. The pressure to remain cost effective has also compelled many a firm to go lean, cutting down



extra fat at each managerial level. The wave of merger and acquisition activity, in recent times has often left the new, combined companies to downsize operations ruthlessly. The positions that have been filled up with workers possessing superior technical skills and knowledge has also tilted the power base (in many emerging industries) from management to technical workers. It is not uncommon today for managers to have limited understanding of the technical aspects of their subordinates' work. Managing the expectations of knowledge workers is going to be a major area of concern for all HR Managers in the years ahead.

3. Collaborative work :

Technological change has resulted in hierarchical distinctions being blurred and more collaborative teamwork where managers, technicians and analysts work together on projects. Team based incentive plans have also made it necessary for all classes of employees to work in close coordination with each other.

4. Telecommuting:

The rapid advances in technology have led to the relocation of work from the office to the home. Telecommuting has become the order of the day where employees work at home, usually with computers and use phoned and the Internet to transmit letters, data and completed work to the home office. Companies have been able to increase their applicant pool through this mode and employees have also been able to live further away from cities and gain considerably due to savings in rents, transportation etc.

5. Internet and intranet revolution:

Internet and information technology have enabled companies to become more competitive by cutting costs. Manufacturers, bank, retailers, and you name anything have successfully harnessed computer technology to reduce their costs and deliver want satisfying goods and services to customers at an amazing speed. Even in HR, internets and intranets are being used to handle training, benefit administration, performance management and out placement functions, in recent times. The cumulative impact of new technology is so dramatic that at a broader level, organizations are changing the way they do business. Use of the internet to transact business has become so commonplace for both large and small companies that e-commerce is rapidly becoming the organizational challenge of the new millennium. Managing virtual corporations and virtual workers in this technology driven world is going to pose tough challenges for HR Managers in the years ahead.

6. Role of HR in a virtual organization :

A virtual organization is network of companies or employees connected by computers. Virtual workers work from home, hostel, their cars, or wherever their work takes them. The human resources function plays a unique role in a virtual organization:

a. Psychological fit:

The lack of face-to-face interaction in virtual organization virtually compels HR professionals to determine the psychological fit between different units initially.

b. System alignment :

Given the lack of physical proximity, it becomes even more critical that the organization's mission, vision and measures be aligned and that all parties are familiar with these issues, the HR function can play an important role in this task.

c. Reconsider staffing needs:

In a virtual organization, most employees work on a contractual basis. Finding people with requisite skills, knowledge and motivation levels become an important activity.

d. Build partnerships :

Virtual, teams have to be built from scratch paying attention to their unique requirements. The concept of employment needs to be replaced by the concept of 'partnership' especially when most tend to work independently away from the permanent employees or owners of the organization.

e. Develop leaders :

Leaders become the major forces for building trust, creating a mission and instilling a sense of belonging to the organisation HR can play a major role in ensuring that leaders assume these responsibilities and meet them in an effective away.

IV. CONCLUSION

"Some people have tried the internet and given up, but the technology is only a decade old and still in its infancy. Employers need to step back and look carefully at how best they can use the current offering on the Internet." Nowadays the world is shrinking in all major respects. People, goods, capital and information are moving around the globe as never before. Companies are trying to become global players just to survive, let alone prosper. They have also been sending key management members to attend global seminars, workshops, and training sessions regularly. India has become a sourcing centre for many global giants are utilizing the services of skilled labour here in order to create distinct cost advantages for their products. Agility pays rich dividends and HR managers have an important role in creating a favorable work climate to initiate and implement changes quickly with the help of growing technology.



To remain competitive, most HR managers nowadays anticipate such cyclical changes in advance and initiate proactive steps that are less painful. In the long run, how effectively a company uses its human resources can have a dramatic impact on its ability to compete or survive in an increasingly competitive technological environment.

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