

THE CONVERGENCE OF DIGITALISATION AND SUSTAINABILITY IN RECENT HR PRACTICES

Minothi. J

Ph.D. Research Scholar
Dept. of Commerce
Loyola College
University of Madras

Dr. J. Arul Suresh

Assistant Professor
Dept. of Commerce
Loyola College
University of Madras

ABSTRACT

Digitalisation and sustainability are no longer trending words but have become a necessity in today's business. Digitalisation is the integration of technology into everyday business practices. The Human Resource(HR) department has also adopted technology for almost all its operative functions starting for recruitment, payroll, performance appraisal, and maintaining e-records of their employees. Digitalisation hence has removed the repetitive and mundane tasks and paved the way for growth and innovation. Digital empowerment has led the way to sustainable growth in many ways. Sustainability in the corporate world calls upon for changes in the plans and efforts that a business puts into place to remain a going concern. Organisations cannot be sustainable without the growth and welfare of the most vital resource, namely their employee! This study hence aims in finding how digitisation and sustainability have merged into HR practices of today. The impact of the "e" and sustainable practices on the organisation is also studied. The study has input from a hundred employees from private service sectors of Chennai city. The digitalization-sustainability convergence in the workplace offers both opportunities and challenges. New digital technologies are improving employee engagement, flexible timings, time and cost management and sustainable innovation. New vulnerabilities like, cybercrime, lack of human communication and privacy loss are threats to be overcome by careful planning of HR strategies. To conclude the intersection of digital and sustainable in HR practices and strategies is essential in attracting, developing and retaining the employees of today.

KEYWORDS: Digitalisation, Sustainability, Employee development

INTRODUCTION

The new-age employees are in every way, like a demanding customer. Today organisations are starting to put in the same efforts that go in keeping their customers happy towards their employees. Employees are to be engaged positively and retained in the business to have organisational growth and sustainability. To keep the employees engaged, HR practices and strategies should be focussed on the need of the employees. Digitalisation and Sustainability, which are the order of the day, have transformed the HR practices. In the world of apps, online games and social media employees will be engaged at work only

through challenging roles, use of digital ways to reduce repetitive work, flexibility and easy accessibility. Business Sustainability focusses on the three P's of business people, planet and profit. Digitalisation contributes to sustainability in many aspects. It is believed that by the year 2020, half the global workforce will be millennials. Millennials are a generation who will be heavily dependent on digitisation and also would focus on environmental issues along with their own emotional and social development. Hence digitising the future and making sustainable growth a goal for both employees and organisation is the call for today's HR managers. Concepts emerging like Green -HRM, employee sustainable development, positive employee engagement are proof that the HR managers have caught up and are on the right track towards the future. This study hence discusses how digitalisation and sustainability have converged together to make positive changes in the HR field.

ROLE OF DIGITALISATION AND SUSTAINABILITY IN HR PRACTICES

- **Digitalisation in HRM:**

Digitalisation is the transformation of a business based on the manual process to a business that has technology in its practices. Like every other part of the organisation, the digital transformation of HR has become essential. The main goal of digitisation is to automate processes and reduce the time spent on repetitive tasks and to maximise the employee experience. The digitalisation of HR practices and activities using web-based technologies, software and internet is called as E-HRM. The various types of e-practises in HRM are

- E-recruitment through websites and job portals
- E-selection through video calls and online tests
- E-compensation using digital payroll software
- E-performance management and appraisal systems using technology to evaluate the performance of the employees
- E- competency mapping to match and identify the job skills required for the job
- E-learning and training using gamification, online classes and lectures
- E- HR Records are maintained for easy access to data of employees.
- Online login of work enables work from home options.

- **Sustainable Employee Development Practices**

Sustainable development assures the balance between economic growth, social well-being and the environmental needs. Organisations are starting to realise sustainability begins from the employees

who represent them. Sustainability in the field of human resource management includes creating a better workplace, having work-life balance, career growth of employees, improving the morale of the employees, including them in decision making, avoiding bias, focussing both on the physical and emotional well-being of the employees, making them environment conscious and so on. The cultivation of sustainable employees spells success for the business. HR managers are striving to ignite passion and learning among the employees to make sustainability possible.

- **The convergence of Digitalisation and Sustainability towards the Development of Employees and the Organisation**

The digitalisation -sustainability combination is laying the foundation of many leading organisations. Technology is used to explore and find new ways to provide sustainable growth both for employees and the organisation. With the advent of digitalisation, employees save a lot of their time and energy with automation. The saved time could be used for achieving both personal and organisational goals which would lead to sustainable development. Flexibility, bias-free, accessible communication, employee engagement are certain sustainability practices which have been enhanced when it goes hand in hand with technology. The following table gives a few examples of the convergence of digitalisation and sustainable growth.

DIGITAL HR PRACTICES	CONVERGENCE TO SUSTAINABILITY
E-recruitment and- selection	Broadens the pool of talent, time and cost-efficient
E-training and development	Consistent, lectures can be repeated to suit everyone's needs
E-performance management	Enables instant feedback, overcomes barriers of communication
Work from home using online login and video calls	Gives employees work-life balance
E- performance appraisal software	Bias free and honest appraisal
E- employee records	Paperless, easy accessibility
E-communication	Immediate updating of information, employees feel connected always.

STATEMENT OF THE PROBLEM

In the wake of the digitalisation, trends like mobile internet, the internet of things and digital and software innovations are creating tremendous opportunities for the growth of the organisations. Technology, when

used in the right framework, enables the business and employees to achieve their full potential. This promotes the quality of the workplace and leads to sustainable development. The study revolves around how the use of technology, along with sustainable practices, have changed the way HR frame their practices and policies.

REVIEW OF LITERATURE

Saranya and Sangeeta (2019), stated the use of technology and internet in the functioning of HR practices had benefitted the organisation. All the essential functions of HRM have been converted to E-staffing, E-compensation, E-appraisal and so on. Digital practices are an advanced tool which have facilitated the management in numerous ways in the modern days.

Stankeviciute, Zivile&Savaneviciene, Asta. (2018) , suggested that HRM functions should change as per the prevailing situations in order to grow in the competitive arena today. The sustainable HRM functions spelt out in the study are long term orientation, care of employees and environment, employee participation, fairness, equality in procedures, and so on.

Nemanja Berber, et.al ,(2018) , observes the last two decades have witnessed the evolution of E-HRM. The key advantages of E-HRM are faster communication, accuracy and easy processing of information related to employees and standardisation of procedures. The shortcomings indicated were confidentiality issues, system inflexibility and system abuse.

Nyameh Jerome (2013), discussed the interplay between organisation performance and sustainable HRM. The role of organisational leaders in emphasising the need for change in culture towards sustainability is highlighted. The analysis concluded that sustainable HRM could positively impact the success of the organisation.

OBJECTIVES OF THE STUDY

1. To find the digital HR practices adopted in organisations.
2. To find the sustainable strategies which are implemented with technology to aid sustainable employee development
3. To observe the influence of digital and sustainable HR practices on the organisation.

RESEARCH METHODOLOGY

The present study adopts a descriptive research design. The data was drawn from both primary and secondary resources. Primary data includes data collected from 100 respondents working in various private

sector service organisations in Chennai city. The sample size was identified through convenience sampling. A customised questionnaire was used to collect data. Data collection was done during September 2019. Statistical tools like percentage analysis, chi-square was employed to analyse and derive results for the study.

DATA ANALYSIS AND INTERPRETATION

Table - 1
Socio-Demographic Profile of the Respondents

Socio-Demographic Factors	Classification	Frequency	Percent
Gender	Male	45	45
	Female	55	55
Age	Below 25	13	13
	26-35 Years	35	35
	36-45 Years	38	38
	Above 45 Years	14	14
Marital Status	Single	35	35
	Married	65	65
Qualification	U.G	33	33
	P.G	57	57
	Other	10	10
Work experience	1-5 years	21	21
	5-10 years	32	32
	10-15 years	30	30
	Above 15 years	17	17
Income level	Below ₹ 25,000	7	7
	₹25,000- ₹35,000	18	18
	₹35,000- ₹50,000	52	52
	Above ₹50,000	23	23

From table 1, it is evident that the gender of the respondents is almost equally distributed, with 45% of them being male and 55% being female respondents. Most of the employees (38%) are between the age group of 36-45 years old and 35% in the 26-35 years group category. Majority of the employees are married (65%), with a post-graduate degree (57%). Regarding their work experience, 32% of them had an experience of 5- 10 years, and 30% of them had between 10 -15 years of work experience. It is seen that the majority of employees (52%) have an income level between ₹35,000-₹.50, 000.

Table 2:

VARIOUS DIGITAL HR PRACTICES FOLLOWED IN ORGANISATIONS

E-HRM PRACTICES	*SD	D	N	A	SA	Total
E-Recruitment	0	35	19	34	12	100
E-selection	0	45	10	37	8	100
E-Training and Development	9	47	15	29	0	100
E-Performance Appraisal	2	49	18	21	10	100
E-HR record maintenance	0	25	11	33	31	100
E-communication	0	6	1	52	41	100
Organisation social media with all events uploaded	0	0	1	51	48	100
Online complaints and suggestion forum	0	18	9	49	24	100
Online leave application and easy access of personal HR records	0	30	6	42	22	100
Updating to latest technology and software	0	31	34	22	13	100

***SD- Strongly Disagree , D- Disagree , N -Neutral , A -Agree , SA -Strongly Agree**

From the above table it can be inferred that great majority of the respondents (99%) have affirmed the use of social media platforms are used by their organisations. Social media account is used to update the latest events, information and contact with their colleagues . A great majority of 93% respondents have agreed to the prevalence of good e-communication from the organisation. 73% of respondents have agreed to the

availability of online complaints and suggestions forum ,which is useful in getting feedbacks from the employees. Both practices of E-records and accessibility of e- records have been agreed by a majority of 64% .

Both e-recruitment and e- selection practices are accepted to be followed by only half of the respondents . only 35% of the respondents felt that their organisations are updating their technology. 31 % of the respondents affirmed the use of e performance appraisal. E- training ng and development was the least followed in the organisations taken for the study as only 29% of the respondents agreed to its usage.

Table: 3

One – way Analysis Variance between the age of employees towards and sustainable digital HR practices

H₀ _There is a significant difference between the age of the employee and the sustainable digital HR practices adopted in the organisation

H₁ - There is no significant difference between the age of the employee and the sustainable digital HR practices adopted in the organisation

ANOVA						
		Sum of Squares	df	Mean Square	F	Sig.
Repetition of work is substituted by digitalization.	Between Groups	9.119	3	3.040	5.261	.002
	Within Groups	55.471	96	.578		
	Total	64.590	99			
Record keeping is paperless and easy to access.	Between Groups	6.093	3	2.031	2.958	.036
	Within Groups	65.907	96	.687		
	Total	72.000	99			
Compensation ,benefits and recognition are personalized to needs of employees.	Between Groups	11.581	3	3.860	3.211	.026
	Within Groups	115.419	96	1.202		
	Total	127.000	99			
Employees are included in decision making process	Between Groups	11.664	3	3.888	5.491	.002
	Within Groups	67.976	96	.708		
	Total	79.640	99			

Employees are engaged actively through various events & challenges	Between Groups	6.535	3	2.178	.348	1.022
	Within Groups	62.465	96	.651		
	Total	69.000	99			
Environment friendly practices add value to our work.	Between Groups	16.009	3	5.336	1.519	1.010
	Within Groups	78.581	96	.819		
	Total	94.590	99			
Flexible hours , work from home options are given for work-life-balance	Between Groups	5.032	3	1.677	1.430	.239
	Within Groups	112.608	96	1.173		
	Total	117.640	99			
Competency mapping is followed to track the employee's career growths	Between Groups	4.010	3	1.337	1.469	.228
	Within Groups	87.380	96	.910		
	Total	91.390	99			
Intranet communication with other employees gives a sense of belonging and takes away social loneliness feeling	Between Groups	4.647	3	1.549	5.024	.003
	Within Groups	29.593	96	.308		
	Total	34.240	99			
Easy access to supervisors & management is given to share our opinions	Between Groups	3.295	3	1.098	1.721	.168
	Within Groups	61.265	96	.638		
	Total	64.560	99			

Source: Computed data

From the above table it is found that age of the respondents towards “Repetition of work is substituted by digitalization” ($f= 2.958, p = 0.002$), " Record keeping is paperless and easy to access " ($f= 4.534, p = 0.036$), “Compensation, benefits and recognition are personalized to needs of employees” ($f= 3.211, p = 0.026$), “Employees are included in decision making process” ($f= 5.491, p = 0.002$), and “Intranet communication with other employees gives a sense of belonging and takes away social loneliness feeling” ($f= 5.024, p = 0.003$) are statistically significant @5% level. Hence in these practices, the alternate hypothesis is accepted.

Practices like employee engagement, environmental-friendly practices, flexibility , competency mapping and easy access to supervisors to share feedback are not statistically significant, and the null hypothesis is accepted here.

TABLE:4

T test for impact of digital and sustainable practices

	N	Mean	Std. Deviation	Std. Error Mean	T	Sig
Time saved with e-practices are used effectively for other innovations	100	4.40	.512	.051	66.345	.000
Accuracy is maintained with e-hr records	100	4.37	.580	.058	58.098	.000
Privacy of information is a challenge with digitalization	100	3.29	1.047	.105	21.865	.000
Bias is reduced with digital performance appraisals	100	3.39	1.127	.113	21.203	.000
Organization goals are focused with all employees being communicated with the progress of the organization.	100	3.62	1.324	.132	19.788	.000
Employee retention is good when digital and sustainable practices are followed.	100	3.73	.886	.089	30.814	.000
Employee's engagement leads to productivity and efficiency	100	4.09	.818	.082	37.790	.000
Organization's image is better with digital and environment friendly practices	100	4.53	.643	.064	54.913	.000
There is healthy competition among employees as employee's growth is shown in e- records which leads to better performance of employees.	100	3.28	1.092	.109	20.870	.000
Lack of human touch and interaction is missed with the advent of digital practices	100	4.24	.653	.065	49.602	.000

Source: Computed Data

The table output reveals that the T values are statistically significant at 5% level.

RESEARCH FINDINGS

- Social media pages for the organisations with all the updates about the events, celebrations and to interact with colleagues with other branches was found to be the most commonly used digital practice(99%). This practice helped the employees to feel updated and connected to the organisation, which helps in sustainable development.
- Digital practices like e-training, e-performance appraisal were found not to be used much by the organisations. Hence the employees felt their organisations were not updated with the latest technology practices.
- Maintenance of E -records for each employee helps them in knowing their compensation plans, online leave application and hence, there is transparency and easy communication.
- The use of technology in communication and updating of e-records have implemented paperless management possible in the organisation.
- With the use of social media, e-mails and online forums for work feedback employees have stated that they feel included in various activities of the organisation. A sense of belonging to the organisation is needed for the sustainable growth of the employees as well as the organisation.
- Digitalisation practices are found less in the areas of employee engagement , competency mapping and flexibility options by the employees.
- Majority of the employees (89%)agreed that with the combination of digital and sustainable practices, the organisation's productivity and brand image is bound to increase.
- Majority of the employees(83%) also agreed that with the advent of digital and e practices in communication, the lack of human interaction and socialisation is missed at the workplace.
- There is found to be a significant positive impact on the organisation's growth with the merger of digit HR practices and Employee sustainability development.

RECOMMENDATIONS

- With the wide array of e -development courses and programs, a lot of organisations are still hesitant to use them and stick to the traditional lecture and seminar methods. E- training could be used as per the need of the employee in their free time. This benefits both the employees and the organisation.
- The use of e-performance appraisal software could reduce the feeling of bias among employees and assure transparent and an honest appraisal. This would motivate the employees in the long run.
- Few employees suggested a mobile app for the organisations for the recruitment details and information as mobiles are the most commonly used device .

- Employee engagement should be seen as more than the celebration of special days, gifting of vouchers to the employees. It can be personalised according to the need of the employees, use of digital games , helping the charity of the employee's concern , and keeping the employees as the central focus would instil passion and strong retention rate among the employees.
- Work-life balance is an area favoured by the employees of today. Digital practices like work from home, video calls and conferences should be encouraged. When employees strike the work-life balance , they perform better at work which would reflect in the organisation's performance.
- With many millennials in the workforce who have a great responsibility to the environment, sustainable environment practices followed in the organisation like green-hrm, conservation of energy is a necessity in the coming days.
- Confidentiality and privacy of data about the employees should be maintained with the use of technology.
- The human interaction and presence should not be faded with the use of digital practices. With increase in stress, depression and burnout among youngsters , sustainability can be achieved with good interaction and bond among the employees.

CONCLUSION

While the retention of talented employees is the cornerstone of a successful HR strategy, the cultivation of sustainable employees benefits the growth of both the employees and the organisation. Focussing on adopting the latest technology for the betterment of employees growth and learning is an essential aspect of HR in the recent days. HR managers today have gone beyond their traditional practices into having genuine care for their employee's well-being, engaging them positively at work , having environment sustainable practices along with the profitability of the business. Sustainability and technology are trends that keep often changing hence, it is a challenge for today's HR professionals to be agile and open to changes .

REFERENCE

- Bondarouk, T. V. and Ruël, H. J. M.(2009), Electronic Human Resource Management: challenges in the digital era, *The International Journal of Human Resource Management*, Vol2(03), pp 505 — 514
- Nemanja Berber, BiljanaĐorđević, Sandra Milanović (2018), Electronic Human Resource Management (e-HRM): A New Concept for Digital Age , *International Journal of Strategic Management & Decision Support System in Strategic Management* , Vol 23(2) , pp 22-32
- Nyameh Jerome (2013) , Impact of Sustainable Human Resource Management and Organisational Performance , *International Journal of Asian Social Sciences* , Vol 3(6) , pp 1287 -1292

- Saranya .G and Sangeetha . N(2019), A Conceptual Overview of E-HRM , International Journal of Research in Engineering, IT and Social Sciences, Volume 09 (02), pp 98-101
- Stankeviciute, Zivile&Savaneviciene, Asta. (2018) , Designing Sustainable HRM: The Core Characteristics of Emerging Field , retrieved from www.mdpi.com/journal/sustainability
- Paul Polman & CB Bhattacharya2016 , Engaging Employees to Create a Sustainable Business, retrieved from https://ssir.org/articles/entry/engaging_employees_to_create_a_sustainable_business
- William Craig The Importance Of Creating Sustainable Employees In The Workplace , June 19, 2018 , Forbes Magazineretrieved from <https://www.forbes.com/sites/williamcraig/2018/06/19/the-importance-of-creating-sustainable-employees-in-the-workplace/#3943c85b7285>

COPYRIGHT DECLARATION

I declare and agree, on behalf of myself and my co-author that: The article submitted is an original work and has neither been published in any other peer-reviewed journal nor is under consideration for publication by any other journal.

Minothi ,J
06.10.2019