

A STUDY ON DIGITALIZATION IN PERFORMANCE MANAGEMENT

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ABSTRACT

Information technology systems have impacted Organisation and Human Resource Department to the great extent. IT is often introduced with rationale that it could offer benefits such as cost reduction, saves time and strategic transformation. More and more organisation have been replacing face – to – face human resource management activities with electronic human resource management (e-HRM). Many organisation have invested in e-HRM systems in hope of transforming the Human Resource Department into a strategically. This paper attempts to explore the latest trends in adopting IT for Human Resources practices by many Indian Organisation. It also highlights the changing role of electronic human resource management (e-HRM) in organisation. This paper discusses the impact of technology on Performance Management apart from Human Resource Information System (HRIS). With the help of Indian Corporate case studies like Infosys and Bank of Baroda the applications and benefits of digitalization are illustrated.

KEYWORDS: Information Technology, E-HRM, Performance Management, HRIS.

1. INTRODUCTION:

Over the last half decade, the new technologies have emerged as most pressing challenges of doing business. The mind set of employees are also influenced by the emerging technologies. Today employees find easy to use digital tools to execute their jobs in a more efficient, high virtualized environment. Organisation cannot allow employees to randomly download or acquire any tool they want. Organisation must manage the procurement, security needs and availability of these tools. Organisation can control the employees' access to their personal work other than their occupation through the use of corporate intranet. According to a recent 2016 report by Deloitte on digital workplace and culture, it is not necessary to send employees on the expensive trips to visit their clients or to join with other teams for the work. Present days, employees are enjoying the flexible work options when compared to olden days. Malny HR experts believe that digital practices help to increase the productivity and employee engagement and innovation in the workplace. This saves the cost of the company and builds a more mobile and agile workforce that is more flexible and adaptable to different work requirements. In case of Human Resources, Technology helps in all processes from recruit to retire functions and has drastically changed the way of employees and employers getting access to the human resource data. The present challenge before business leaders is how to use the technology in human resource perspective to connect people and information.

2. DIGITALIZATION IN PERFORMANCE MANAGEMENT:

Performance Management:

Few things supervisors do are fraught with more peril than appraising subordinates' performance. Employees tend to be overly optimistic about what their ratings will be. And they know their raises, careers and peace of mind may hinge on how you rate them. Many obvious and not-so-obvious problems (such as tendency to rate everyone as 'average') harm the performance appraisal process. Often HR Department is blamed for the poor appraisal process.

Performance Appraisal:

Performance Appraisal means “Evaluating an employee’s current and/or past performance relative to his/her performance standards. Performance appraisal process involves three steps:

- Setting work standards or goals.
- Assessing the employee’s actual performance relative to those standards.
- Providing feedback to the employee with the aim of helping him or her to eliminate performance deficiencies or to continue performance above par.

Performance Management:

The continuous process of identifying, measuring and developing the performance of individuals and teams and aligning their performance with strategic goals of the organisation .Using Information Technology to support Performance Management Many companies integrate Information Technology to automate performance management and to monitor feedback and correct deviation if any on time.

Digitalized HRM enables the whole performance appraisal to be conducted on-line, on the corporate internet interface. This means that the supervisor and the employee are able to submit performance data directly to the HR Department in electronic form. Digitizing has the ability to unlock new levels of efficiency in corporate performance management and at the same time to increase the quality, speed and relevance of the information supply massively. The resulting changes represent real paradigm shift.

With the advance technology, performance appraisal software’s are becoming common in organisation. Performance management software is also helping to dramatically improve HR’s ability to carry out effective People Relationship Management (PRM), and improve their organization’s employer brand. It enables companies to move away from subjective people management to objective and efficient people management to the great benefit of the employee/candidate. To help and automate the processes of Performance Appraisal Management, organisation are increasingly taking the help of various performance management software’s like Workforce Performance Management (WPM), Suite Systems and Talent Management Software, which help to systematically record all the data about the employee performance, pre-determined targets and the results achieved, compensation, succession planning and other related HR systems. The various forms can be filled online and can be submitted to the HR.

3. LITERATURE REVIEW:

Through the years as the world has undergone far reaching societal, cultural and economic changes based on the increasing dominance of digital media and tools. This has led to the present period being called as “Digital Age”. (IRC, Journals, 2013). Digital is an evolving approach to business practice, customer interactions of employees. The impact of rapid growth in digital has meant that organisation have had to adapt to new market expectations.

From the 1960s onwards, the computerization of business activities has been an area that has been widely studied. (Kaufmann, 1966). Digitizing is a mega trend which is significantly changing the way in which we live, work and creates value. Digitization is revolutionizing the economy and the corporate world of business.

Digitization opened up opportunities for the industry. Companies will be winners if they create partnerships in the same verticals or across the verticals, said by Mr.Subhash Chandra, Chairman of Zee Entertainment. (Times of India, August 3, 2007.)

In the words of Beson and Rowe (2012) “Information systems are considered to be a major asset for leveraging organisation transforming owing to the disruptive nature of IT innovations, the deep digitalization of business and their cross – organisation and systemic effects, notwithstanding the amounts of investments in enterprise systems”.

Performance Management is the systematic process by which an agency involves its employees as individuals and members of group, in improving organizational effectiveness in the accomplishment of agency mission and goals. Performance Management system has undergone lot of changes in the recent past to effectively translate effort to

performance. The old ways of assessing performance have been proven to be expensive and ineffective. Bell curve alias relative comparison has been observed to be time consuming and often detrimental to performance. Organisation such as Adobe, Accenture, Microsoft and Deloitte have adopted new ways of assessing to enhance individual and organizational performance. (Neeti Kumar, People Matters, 5th July 2016.)

4. CONCLUSION:

Digitalization makes it easy to manage the performance on a continuous process. It reduces the paper work and increase the accuracy of the appraisal. It reduces the long time spent to do appraisal. It increases the efficiency of employees and employees are able to get comments on their work and improve on their own. Digitalization of Performance management is used by many modern day companies and others implementing it by making necessary change in their performance management system. Thus digitalization in performance management is the advancement of IT and HRM, also it made employee feedback system a transparent one.

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