ORIGINAL RESEARCH PAPER

Management

THE IMPACT OF HR DIGITAL TRANSFORMATION ON EMPLOYEE EXPERIENCE - AN EMPIRICAL ANALYSIS

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ABSTRACT

Being able to move rapidly is essential in today's business climate, and attaining digital transformation requires organizational agility. Businesses can attain operational excellence, which fosters innovation and produces exceptional results, by utilizing technology to enhance operations. In this situation, transformation is essential. According to executives, meeting customer expectations (35%), improving operational efficiency (40%), and a quicker time to market (36%), are the main advantages of HR digital transformation. There are several benefits associated with the digital transformation of HR to enhance the employee experience, and, increase efficiency and productivity. In the process of the above-stated transformation, the researchers wish to focus on studying "The impact of HR digital transformation on employee experience through an empirical analysis".

INTRODUCTION

The strategic process of utilizing data, technology, and digital tools to improve and modernize an organization's whole human resources department is known as HR transformation. Implementing state-of-the-art software, automation, analytics, and artificial intelligence is necessary to optimize HR procedures, encompassing talent management, employee engagement, workforce planning, and recruitment and onboarding. Through the use of data-driven and automated human resources operations, firms can improve employee experience and operational efficiency by using digital transformation tools, strategies, and practices. This process is known as HR digital transformation. Organizations must prioritize HR digital transformation to provide seamless employee experiences and acquire a competitive edge. While several elements, like culture, technology, and digital strategy, can support HR transformation, the main goal should be to include them in the critical stages of the employee journey, from hiring to retirement.

Human Resources is essential to an organization's effort to drive digital transformation. HR directors may position their teams as strategic change agents and unleash the full potential of technology for the company by cultivating a digital culture, fostering the development of digital skills, and collaborating with other departments. Putting HR digital transformation strategies into practice can significantly improve the working environment for employees. HR staff members can focus more of their time on offering employees' greater resources and support by optimizing HR procedures. For instance, putting a digital HR system in place helps employees access crucial data like performance appraisals, pay slips, and perks. Employee engagement and satisfaction may rise as a result.

The field of HR technology has changed. Using contemporary technology, core HCM platform suppliers have been improving functionality over time. The companies that provide integrated HR Service Management products have invested heavily in giving workers a cohesive, smooth experience. Employers must decide which of these platforms' main advantages to emphasize. Among the main areas of concentration that employers would consider are:
- Improved self-service
- The employee assistance program
- The optimization of costs
- Human resources analytics
- Technology management ease

While each firm operates differently when it comes to HR digital transformation, there are a few general elements that are involved. The first thing is utilizing technology to modify HR operational activities and the other, revolutionizing the workforce and the workforce processes at the same time. A well-executed transition always has the following results:
- Automating laborious procedures
- Getting the most out of employee experience
- More time to devote to senior HR planning

HR staff should be able to concentrate on the essential interpersonal relationships that are vital to a company by utilizing HR technologies. It is seen that the wide range of HR technologies makes it possible to handle the transactional components of HR. This gives HR teams the chance to initiate fruitful conversations with staff members about their career development and to take practical steps to facilitate prompt employee recognition.

Key advantages of the HR Digital transformation on employee experience

Fig. 1. Proposed conceptual model.

Experience Of Employees
Satisfied workers yield more output. Employees' experience can greatly boost productivity and job happiness. It also involves keeping employees communicated and informed and actively encouraging transparency so that an inclusive work culture is maintained.

Enhanced Productivity And Efficiency
HR-related tasks and duties can be completed more quickly and accurately, errors can be decreased, and manual, paper-based tasks can be eliminated with the help of digitization

and increase the efficiency and productivity of the team.

Management And Retention Of Talent
Digital HR solutions can help with hiring, training, and developing staff, which will lead to a more successful personnel management plan. Lack of opportunity for advancement causes employees to depart from companies frequently. By offering possibilities for internal advancement, firms can show their concern for the careers of their employees and lower recruitment expenses.

Enhanced Compliance
By ensuring labor laws, regulations, and corporate policies and procedures, digital HR systems can help businesses lower their risk of fines, demurrages, and legal ramifications thereby safeguarding the company branding and goodwill.

Improved Analytics And Data
Organizations may access real-time data and analytics using digital HR platforms, which enables better HR strategies and more informed decision-making.

HR Expense Reduction
Organizations can save a lot of time and money by investing in the digitalization of HR procedures. HR staff members can concentrate on more important company duties by simplifying their processes and procedures.

Manual Processes Automation
HR process automation improves employee engagement, and compliance while reducing the possibility of mistakes. Additionally, because their everyday responsibilities are easier and more efficient, HR staff may prioritize strategic projects that have the most potential to benefit the company.

Combined HR systems
HR staff can avoid handling numerous tools and applications to preserve employee records and expedite corporate procedures by putting in place integrated HR solutions. This makes it possible to create a solitary, trustworthy information source that staff members can use as needed whenever required.

Review Of Literature
To get a deeper understanding of what is digital HRM, it is necessary to define the meaning of HRM. According to Huselid, the best HRM practices areas are "recruitment and selection, socialization, job design, training and development, participation, career development, performance appraisal, employee reward, and job security". Moreover, Bredin & Sunderland explained HRM as practices relating to the relationship between the employees and the organization in which they work. In the business world, digital technologies are transforming every aspect of HRM from attracting & recruiting new employees, training and development, performance appraisal, and Advances in Economics, Business, and Management Research (Series volume number 141 Proceedings of the First ASEAN Business, Environment, and Technology Symposium (ABEATS 2019) Copyright © 2020). A comprehensive transformation from traditional to digital is required in terms of policies and strategies and the way to execute the HRM practices. According to Maditheti, digital HRM is managing all the HRM work through technologies, applications, and the Internet. Innovations also are required to be brought into the HRM practices for attracting, rewarding, and evaluating employees. Digital HRM has also an impact on the way employees are being trained.

Iwu, C. G. (2016) conducted a study at sub-Saharan African universities and found that a maximum percentage of employees agreed that E-HRM would increase their performance. They also studied the impact of digitization on HR development, talent management, and performance at work. The findings of the research indicate that there is a positive impact of digital transformation on all variables. Tripathi & Kushwaha (2017), strongly recommended that organizations bring forward digitization in the HRM practices as it has become very significant these days. A recent study by Fedorova et. al., (2019) shows that digitization of HRM processes enables to removal of many routine tasks, reduces the risk of human error, and empowers experts to solve important issues, enabling them to use their knowledge and skills more effectively in solving business problems. The evolution of HRM operations has been significantly aided by the development of information technology (Kavanagh et al., 2012). From the organizational perspective, recruiting and hiring new personnel, training and development, career development, socializing, performance evaluation, compensation, and reward are all being impacted by information technologies (Maditheti, (2017).

According to Saini, digital HRM is the management of all HRM activities through the help of information technologies, applications, and the Internet. Innovations are also the key to bringing HRM practices into digitalization. The goal of HRM digitization is to make it easier to collect, restore, and update the most recent information about the knowledge, skills, and abilities (KSA) of the company's employees and to access that information when it is required (Hopkins & Markham, 2017). The potential of training and development activities is greatly increased by e-learning and e-training activities in particular (Marchington & Wilkinson, 2005). By equipping the employees with the required strategies, methods, information, and assistance systems, information technology is primarily used in performance appraisal and management systems to analyze individuals' actions and organizational activities (Benso et. al., 2022).

Research Gap
There have been not enough findings globally on the digitization of human resources practices and its impact on the employee experience. The past research does not focus on the advantages that are associated with the implementation of the digitization of human resources and that enhance the overall employee experience, productivity, efficiency, and improved data efficiency, analysis, and better decision-making.

Objectives Of The Study
- To understand the impact of HR digital transformation on employee experience.
- The study intends to determine the advantages and difficulties of digital transformation on human resources practices and explore how digital technologies impact human resources practices.

Hypothesis
- **H$_0$ (Null):** There is no significant impact of HR digital transformation on employee experience.
- **H$_1$ (Alternative):** There is a significant impact of HR digital transformation on employee experience.

Methodology
This research is a descriptive study. It is conducted to provide a more detailed picture of the phenomenon and symptoms. The study is conceptual, and it emphasizes the relationship between Digital transformation in Human resources management and its implications on employee experience. Data is collected from secondary sources like previous research, websites, online publications journals, etc. This study presents a thorough analysis of HR digital transformation based on prior research studies. HR Digitalization practices have been reviewed and an in-depth analysis of literature related to study constructs has been conducted. A random survey was conducted through a questionnaire and data has been collected, analyzed, and interpreted to arrive at the suggestions.

Sampling Method

A simple random sampling method is deployed to select the sample respondents.

Sampling

Employee Level/Grade	Population	Sample Respondents	Per cent
Administrative/ mgt.	70	34	3
Business Solutions Analyst	96	46	4
Architect	110	52	5
Technical Leads	220	104	9
Supporting Employees	220	104	9
Manager	240	114	10
Senior Software Engineer	516	246	21
Software Engineer	948	450	39
Total	2420	1150	100

Data Analysis

As described in Table -1, the sample for the data was taken from employees who are working at Wilco Source Technologies Pvt Limited. A structured questionnaire on the impact of HR digital transformation on employee experience was circulated through E-mail to around 2420 employees in various grades. Out of which 1150 of them responded completely. The response rate is 47%. While few have done half the work while few of them did not even bother to respond. These employees sent the complete responses from different levels of the position, including Administrative/ mgt. (70), Architect (110), Manager (240), Technical Leads (220), Business Solutions Analyst (96), Senior Software Engineer (516), Software Engineer (948), Supporting Employees (220).

Table – 1: Department/Practice wise of the Sample Respondents

Department/Practice	Frequency	Percent
Accounting	28	2%
IT Support & Gen Administration	43	4%
Architecture	78	7%
Business Consulting & Client Engagement	57	5%
Business Development	34	3%
Delivery	688	60%
HR, Learning & Development	28	2%
Operations	29	3%
Sales & Pre-Sales	85	7%
Recruitment	80	7%
Grand Total	1150	100%

Table 1 describes the employee's department or the practices who responded to the questionnaire. As described in Table 1, Out of the total sample of 1150 employees, 28 were part of Accounting department which is 2% of the total sample who accept that the digitization in HR will enhance the Experience of employees, 43 employees were from IT Support & Gen Administration department and they feel that HR digitization will Enhanced Productivity and Efficiency which is 4% of the total sample, 688 the majority of the employees are from the delivery department who did the technical delivery to the clients which is 60% of the total sample who accept that a robust digital infrastructure to the employees will help in the Management and Retention of Talent, 78 employees are from Architecture practice which is 7% who are believing that the HR digitalization will lead to enhanced Compliance, 57 employees are from the Business Consulting & Client Engagement practice which is 5% of the total sample and they feel that by digitizing the HR there will be high possibilities of Improved Analytics and Data. 34 employees are from the Business development team, and they feel that the manual process automation will be possible through the digital tools in the HR. 28 are from the HR, Learning & development team which is 2% of the sample, who feel that there is a huge chance of expense reduction or cost control through the proper automation of the processes. 29 employees are from the Operations team, which is 3% of the sample, they feel that HR digitization leads to a reduction of manual errors. 85 employees are from the Sales & Pre-sales department, which is 7% of the sample and they feel that combined HR systems can create a huge impact on overall organization efficiency. 80 employees are from the Recruitment team which is 7% of the sample and they think that HR digitization will help in quick turnaround time and smooth functioning of the processes at the organizational level.

Table – 2: Experience Range of the Sample Respondents

Experience	Frequency	Per cent
Less than 3 years	290	25
between 4 and 8	460	40
between 9 and 15	230	20
Above 15 years	170	15
Total	1150	100

Table 2 is about the age group of the sample. Analyzing the age groups, 290 employees have less than 3 years of overall experience and are waiting for digital tools in human resources which will impact the employee experience, 460 are between 4 and 8 years of experience, 230 are between 9 and 15 and 170 of them are above 15 years of experience. Most of the sample, 40.0% are between 4 and 8 years of experience and unanimously agree to bring HR digitization through innovative technologies like Artificial Intelligence that will help enhance overall productivity.

Table – 3: Tenure of the Sample Respondents

Tenure	Frequency	Per cent
0-2 years	290	25%
3-6 years	510	44%
6-10 years	225	20%
Above 10 years	125	11%
Total	1150	100%

Table 3 is about the tenure of the sample. Analyzing the tenure, 290 employees have spent 0-2 years in the company and are ready to adopt HR digital technologies like Artificial Intelligence to enhance employee performance. The majority of the employees 510, who have spent 3-6 years tenure in the company are likely to learn more advanced topics in the HR digital space that will automate their regular tasks. 20.0% of them have 6-10 years of tenure in the company and unanimously they agree to bring HR digitization through introduction of the advanced technologies that will help enhance productivity. About 125 employees which is 11% of the sample are the ones who spent more than 10 years in the company and they understand the impact of HR digitization in enhancing the overall organization's performance.

Table- 4: One way ANOVA for HR Digital Transformation on Employee Experience (Age of the Employees)

ANOVA		Sum of Squares	df	Mean Square	F	Sig.
Experience of employees	Between Groups	20.171	4	5.043	2.395	.049
	Within Groups	2410.625	1145	2.105		
	Total	2430.797	1149			
Enhanced Productivity and Efficiency	Between Groups	24.967	4	6.242	2.990	.018
	Within Groups	2389.830	1145	2.087		
	Total	2414.797	1149			
Management and Retention of Talent	Between Groups	22.603	4	5.651	2.673	.031
	Within Groups	2420.270	1145	2.114		

		Sum of Squares	df	Mean Square	F	Sig.
	Total	2442.873	1149			
Enhanced Compliance	Between Groups	32.505	4	8.126	3.907	.004
	Within Groups	2381.359	1145	2.080		
	Total	2413.864	1149			
Improved Analytics and Data	Between Groups	21.126	4	5.282	2.586	.036
	Within Groups	2338.268	1145	2.042		
	Total	2359.395	1149			
HR Expense Reduction	Between Groups	28.619	4	7.155	3.451	.008
	Within Groups	2374.038	1145	2.073		
	Total	2402.657	1149			
Manual Processes Automation	Between Groups	26.251	4	6.563	3.151	.014
	Within Groups	2384.706	1145	2.083		
	Total	2410.957	1149			
Combined HR systems	Between Groups	34.827	4	8.707	4.215	.002
	Within Groups	2365.326	1145	2.066		
	Total	2400.153	1149			

From the analysis it is found that employees perceptions on HR digital transmission is significantly influenced by the age of the respondents.

Table- 5: One way ANOVA for HR Digital Transformation on Employee Experience (Education of the Employees)

ANOVA

		Sum of Squares	df	Mean Square	F	Sig.
Experience of employees	Between Groups	19.093	4	4.773	2.266	.060
	Within Groups	2411.703	1145	2.106		
	Total	2430.797	1149			
Enhanced Productivity and Efficiency	Between Groups	19.282	4	4.821	2.304	.057
	Within Groups	2395.514	1145	2.092		
	Total	2414.797	1149			
Management and Retention of Talent	Between Groups	21.798	4	5.450	2.577	.036
	Within Groups	2421.075	1145	2.114		
	Total	2442.873	1149			
Enhanced Compliance	Between Groups	26.652	4	6.663	3.196	.013
	Within Groups	2387.212	1145	2.085		
	Total	2413.864	1149			
Improved Analytics and Data	Between Groups	16.900	4	4.225	2.065	.083
	Within Groups	2342.495	1145	2.046		
	Total	2359.395	1149			
HR Expense Reduction	Between Groups	31.473	4	7.868	3.799	.004
	Within Groups	2371.184	1145	2.071		
	Total	2402.657	1149			
Manual Processes Automation	Between Groups	29.994	4	7.499	3.606	.006
	Within Groups	2380.962	1145	2.079		

		Sum of Squares	df	Mean Square	F	Sig.
	Total	2410.957	1149			
Combined HR systems	Between Groups	38.581	4	9.645	4.677	.001
	Within Groups	2361.572	1145	2.063		
	Total	2400.153	1149			

From the analysis it is found that employees perceptions on HR digital transmission is significantly influenced by the education of the respondents.

Findings Of The Study
- It has been observed that in the modern workplace, the capacity to move rapidly is crucial, and agility within an organization is a necessity for successful digital transformation. By employing technologies to improve operations, firms may attain excellence in operations, which may stimulate creativity and lead to great performance.
- It is also observed that in the current digital era, transformation is essential. According to executives, meeting customer expectations, improving operational efficiency and a quicker time to market are the main ingredients of the HR digital transformation.

Suggestions
- To achieve high performance and to increase the productivity of the employees, it is essential that organizations digitize HR and introduce advanced technologies like Artificial Intelligence, data analytics, etc.
- The transformation of the workforce is very much required and make sure the organizations are conducting the teaching and upskilling programs to meet the technological advancements in Artificial Intelligence which will help the workforce grow in their careers and perform better.

CONCLUSION
The employee experience can be greatly improved by putting HR digital transformation strategies into practice. HR staff members can focus more of their time on offering employees greater resources and support by optimizing HR procedures. Bringing in a digital HR system will help facilitate employees' access to critical data like payslips, appraisal feedback, and perks. The overall employee engagement and happiness index may rise as a result. Companies are becoming more and more aware of the significance of HR digital transformation to improve employee experience in today's fast-paced digital world. A single person's extensive HR digital solutions can help ensure a smooth and effective shift. With a user-friendly interface and strong capabilities, it empowers HR professionals to computerize regular duties, simplify processes and procedures, and provide superior employee cooperation. By utilizing this state-of-the-art platform, the company can fully realize the benefits of digital transformation and cultivate a more contended and engaged staff. Investing in the H digital transformation tools will help the companies start a revolutionary journey that improves employee experience and transforms HR procedures.

Scope Of Further Research And Limitation Of The Study
- While HR digitally transforming can greatly enhance the employee experience, several obstacles may stand in the way, including poor implementation, a lack of training, worries about data privacy, the possibility of discrimination in computer programs, obstruction to transformation, and a failure to precisely replicate human interaction. As a result, employees may receive a less customized experience.
- There are a few challenges that may be encountered during the HR digitization process including adverse effects, like worries about data security and it could be difficult for the staff members to pick up good digital tool

usage. Another challenge is the high costs and relevance of digital HRMS software for the HR teams.

- In certain cases, especially when the employees are working remotely, they may experience emotions of loneliness if their specific needs are not sufficiently met by the digital tools.
- There may be cases where a few older employees who are less accustomed to technology may find it difficult to learn new digital tools and systems.

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