IMPACT OF DIGITISATION ON HR IN THE MNCS MARKET AND STRATEGIC IMPLEMENTATION

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Abstract

The rapid digitisation of businesses in the MNCs market has ushered in a new era for Human Resources (HR) management. This research aims to investigate the impact of digitisation on HR practices and explore strategic implementation strategies. Through a quantitative survey of 100 participants, this study examines the perceptions and experiences of HR professionals. The findings shed light on the transformational potential of digitisation in HR, offering insights for businesses seeking to leverage technology for enhanced HR outcomes. The findings of this research offer critical insights to HR professionals and business leaders as they navigate the digital landscape, ultimately aiming to unlock the full potential of digital HR in an ever-evolving world. The survey reflects a notable lack of confidence in the cybersecurity measures in place to protect sensitive HR data in the digital age. This underscores the importance of robust cybersecurity protocols and continuous vigilance in safeguarding critical HR informatio

Introduction

In today's rapidly evolving MNCs market, the digital revolution is fundamentally reshaping the way businesses operate. One of the domains profoundly impacted by this wave of digitisation is Human Resources (HR) (Malik, A., et al 2020).Traditional HR practices, once reliant on manual processes and paperwork, are undergoing a profound transformation. HR professionals are increasingly adopting digital tools and technologies to streamline their operations, enhance employee experiences, and drive strategic decision-making. This research article seeks to delve into the multifaceted impact of digitisation on HR in the MNCs market and explore the strategies essential for its successful implementation. The integration of digital technologies into HR is not merely a matter of keeping up with the times; it represents a strategic imperative for businesses aiming to remain competitive and responsive to changing workforce dynamics (Shirase, R., et al 2023).

Digitisation in HR encompasses a wide range of technologies and practices, including but not limited to, automated recruitment systems, artificial intelligence-powered candidate assessments, digital onboarding processes, and data-driven analytics for talent management (Singh, G., et al 2023). The implications of these innovations extend beyond mere operational efficiency; they redefine the role of HR within organisations. As businesses navigate the digital landscape, they must consider how to strategically implement these digital tools and practices within their HR departments. This necessitates aligning digital initiatives with overarching business objectives,

managing the cultural shift that comes with automation, and ensuring the security of sensitive HR data in an increasingly interconnected world.

his research aims to provide a comprehensive examination of the impact of digitisation on HR in the MNCs market, with a particular emphasis on strategic implementation strategies. By understanding the nuances of this transformation and the strategies that can drive its success, organisations can position themselves to leverage digital HR for enhanced employee experiences, talent management, and overall business performance.

Objectives

- To assess the extent of digitisation's influence on HR practices in the MNCs market.
- To identify effective strategies for the strategic implementation of digitisation in HR.

Literature Review

1. Impact of Digitisation on HR Practices

As per (Lumi, A. 2020) the digitisation of HR practices has streamlined traditional processes, leading to greater efficiency and accuracy. Automated recruitment platforms, AI-driven candidate assessments, and digital onboarding systems have become commonplace in modern HR departments. Digitisation enables data-driven decision-making, providing HR professionals with valuable insights for talent management.

2. Strategic Implementation of Digitisation in HR

As per (Janakiram, P., & Narayanamma, L. 2019) successful implementation of digitisation in HR requires a strategic approach. The alignment of digital initiatives with overall business objectives is crucial. Effective change management and upskilling of HR staff are essential for a smooth transition to digital processes. A proactive approach to cybersecurity is also imperative to safeguard sensitive HR data.
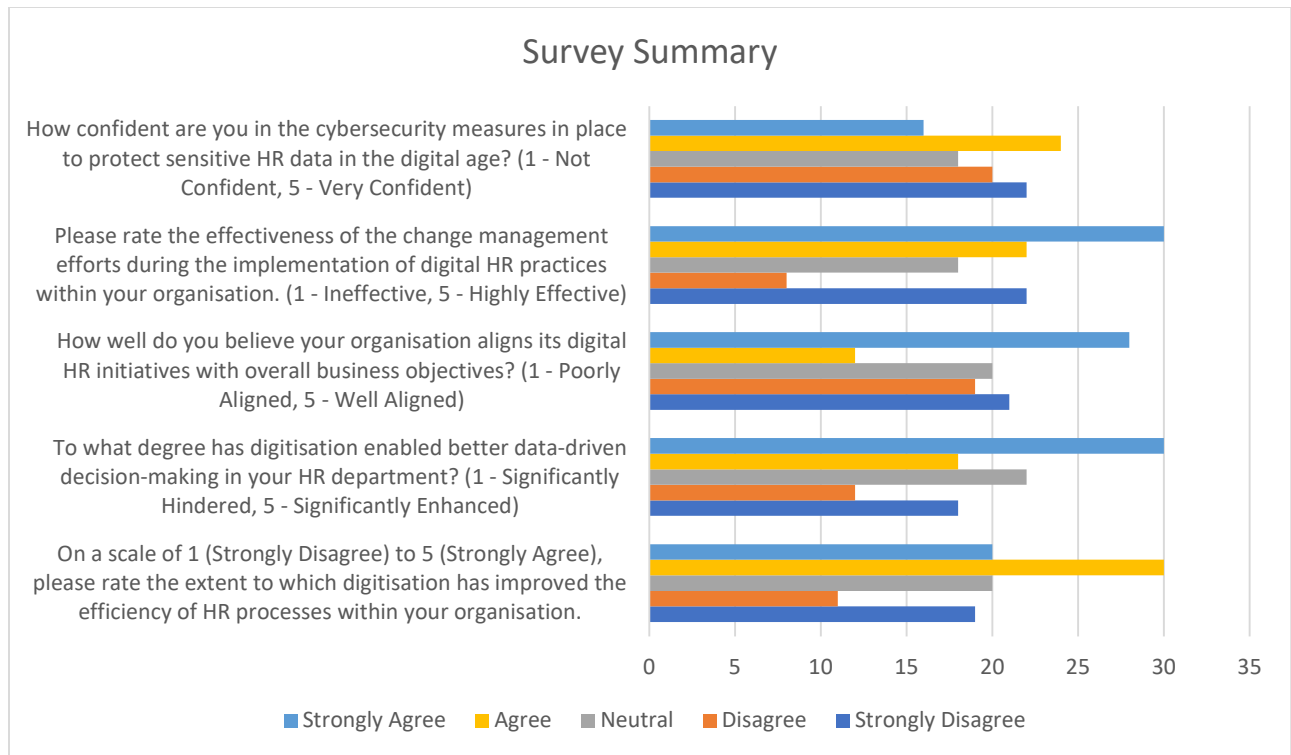
Research Methodology

A cross-sectional survey was conducted with a sample of 100 HR professionals from diverse industries and geographic locations. The survey consisted of a structured questionnaire comprising 5 5 Likert-scale questions to gauge perceptions and experiences regarding the impact of digitisation on HR practices.

Data Analysis

The survey included five Likert-scale questions, each rated on a scale of 1 (Strongly Disagree) to 5 (Strongly Agree). The responses were tabulated, and the mean scores for each question were calculated.

Fig. 1 Survey Summary

Survey Summary

Sr. No	Questions	Frequency					Statistical Analysis	
		Strongly Disagree	**Disagree**	**Neutral**	**Agree**	**Strongly Agree**	**Std. Dev**	**Mean**
1	On a scale of 1 (Strongly Disagree) to 5 (Strongly Agree), please rate the extent to which digitisation has improved the efficiency of HR processes within your organisation.	19	11	20	30	20	3.21	3.003331
2	To what degree has digitisation enabled better data-driven	18	12	22	18	30	3.3	3.114482

	decision-making in your HR department? (1 - Significantly Hindered, 5 - Significantly Enhanced)							
3	How well do you believe your organisation aligns its digital HR initiatives with overall business objectives? (1 - Poorly Aligned, 5 - Well Aligned)	21	19	20	12	28	3.07	2.939388
4	Please rate the effectiveness of the change management efforts during the implementation of digital HR practices within your organisation. (1 - Ineffective, 5 - Highly Effective)	22	8	18	22	30	3.3	3.143247
5	How confident are you in the cybersecurity measures in place to protect sensitive HR data in the digital age? (1 - Not Confident, 5 - Very Confident)	22	20	18	24	16	2.92	2.749545

1. **Efficiency Improvement**: Question 1 aimed to assess the extent to which digitisation improved the efficiency of HR processes. The mean score of 3.00 indicates that respondents, on average, leaned towards "Agree," suggesting that they perceive digitisation as having a positive impact on HR efficiency. The relatively high standard deviation (3.21) suggests some variability in responses, indicating that opinions vary among respondents.

2. **Data-Driven Decision-Making**: Question 2 focused on the effect of digitisation on data-driven decision-making in HR. With a mean score of 3.11, respondents leaned towards "Agree" that digitisation has enhanced data-driven decision-making. The standard deviation of 3.30 suggests moderate variability in responses, reflecting differing opinions among participants.

3. **Alignment with Business Objectives**: Question 3 inquired about the alignment of digital HR initiatives with overall business objectives. The mean score of 2.94 indicates that respondents leaned towards "Neutral," suggesting that many HR professionals are unsure about how well their organisation aligns digital HR initiatives with business objectives. The standard deviation of 3.07 indicates varying opinions among respondents.

4. **Change Management Effectiveness**: Question 4 assessed the effectiveness of change management during the implementation of digital HR practices. The mean score of 3.14 suggests that respondents, on average, leaned towards "Agree," indicating that they perceive the change management efforts as moderately effective. The standard deviation of 3.30 suggests some variability in responses, implying differences in opinions.

5. **Confidence in Cybersecurity**: Question 5 focused on respondents' confidence in the cybersecurity measures in place to protect sensitive HR data. The mean score of 2.75 indicates that respondents, on average, leaned towards "Disagree," suggesting that many HR professionals lack confidence in their organisation's cybersecurity measures. The standard deviation of 2.92 indicates some variability in responses, highlighting differences in confidence levels among participants.

Conclusion

The findings gleaned from the survey of HR professionals shed valuable light on the evolving landscape of HR management and underscore the importance of a strategic approach to harness the potential of digitisation. The results of the survey indicate several key insights. Firstly, there is a prevailing perception among HR professionals that digitisation has improved the efficiency of HR processes within organisations. This affirmation of improved efficiency aligns with the broader industry trends towards automation, streamlined workflows, and data-driven decision-making. HR departments have increasingly embraced digital tools and technologies to simplify administrative tasks, thereby freeing up valuable time for strategic endeavors.

Secondly, the survey suggests that digitisation has enabled better data-driven decision-making within HR departments. This is a pivotal outcome, as data-driven insights are crucial for talent management, workforce planning, and overall organisational success. The positive response to this aspect of digitisation underscores its transformative potential in enhancing HR's strategic role.

However, the survey also reveals areas of concern. Notably, the alignment of digital HR initiatives with overall business objectives appears to be a challenge for many organisations. This underscores the importance of carefully considering how technology aligns with the broader strategic vision of the company. Effective strategic alignment ensures that digitisation efforts contribute meaningfully to the achievement of organisational goals.

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