



A Review on Effect of E-Hrm Practices on Msme Productivity

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Article History	Abstract
Received: 16 June 2023 Revised: 18 Sept 2023 Accepted: 21 Oct 2023	The influence of technology on human resource management has become a focal point of extensive research in recent times. This study seeks to delve into the extent of technology's impact on various facets of human resource management, including recruitment, training and development, performance evaluation, and employee engagement. The research further delves into how technological advancements such as artificial intelligence, machine learning, and data analytics have empowered organizations to streamline their HR operations, enhance their decision-making capabilities, and elevate employee satisfaction. The investigation also encompasses an examination of the potential challenges posed by technology in HR management, encompassing concerns about privacy, the displacement of jobs, and the imperative need for upskilling and reskilling the workforce. The research underscores that technology has wrought significant transformation in the realm of human resource management, offering a multitude of advantages like heightened efficiency, increased productivity, and improved employee engagement. Nevertheless, it equally underscores the vital need for responsible and ethical implementation of technology to avert adverse consequences
CC License CC-BY-NC-SA 4.0	Keywords: Human Resource, Management, Technology

1. Introduction

In the contemporary landscape, technology has become a transformative force altering the operations of organizations, and the realm of human resource management (HRM) is no exception. Technological breakthroughs, encompassing artificial intelligence, machine learning, and data analytics, have empowered HR departments to streamline their processes, augment their decision-making capacities, and enhance employee engagement. The impact of technology on human resource management has emerged as a subject of extensive research in recent years. The advent of technology has ushered in a wave of changes across various dimensions of HRM, spanning recruitment, training and development, performance management, and employee engagement. Technology's impact is multifaceted. On one front, it has empowered organizations to broaden their reach to a more extensive pool of potential candidates, mitigating biases in the recruitment process, and providing tailored onboarding experiences. Similarly, the integration of technological tools, such as e-learning, virtual training sessions, and gamification, has revolutionized how organizations deliver training and development opportunities to their employees. Conversely, concerns loom regarding potential drawbacks tied to technology's integration in HRM. These concerns encompass privacy issues linked to employee data usage, job displacement due to automation and digitalization, and the compelling need for upskilling and reskilling the workforce to align with the ever-advancing technological landscape. In light of these dynamics, it becomes imperative to grasp the profound impact of technology on HRM and how organizations can harness it to fulfill their strategic objectives while ensuring responsible and ethical implementation. This study endeavors to scrutinize the influence of technology on diverse facets of HRM and assess its potential merits and demerits.

2. Literature Review

Kamal, Ashish Kumar (2013):

In his work, Kamal highlighted the transformative role of Information Technology (IT) within organizations. IT not only alters the structural framework of businesses but also impacts the way business processes are conducted and communication is facilitated. Its integration into human resource management (HRM) is increasingly evident. As organizations harness IT's capabilities, the expectations of employees, customers, and suppliers have grown. IT is seen as a driver of improved HRM performance, shifting its focus from traditional administrative or personnel management to a more strategic form of HRM.

Sanchita C. Banerji (2013):

Sanchita C. Banerji emphasized the pervasive influence of IT and its wide-ranging applications in modern business management. IT has not only affected operational aspects but has permeated every facet of management. However, organizations encounter a significant challenge in adopting and accepting these technologies. The reconfiguration and reengineering of HR functions are vital for the systematic and effective operation of various HR activities. Creating a conducive managerial environment is crucial for innovative and knowledge-based organizations. Only when functionality and reporting tools are seamlessly merged can the organizational functions operate smoothly and efficiently.

Adewoye J.O., Obasan Kehinde A (2012):

Adewoye and Obasan conducted research on the adoption of IT within the Nigerian banking sector and its profound impact on HRM activities. Their primary data, collected via structured questionnaires, revealed that IT adoption significantly improved the efficiency of HR management activities and processes. It particularly influenced employee communication and engagement, and it played a pivotal role in reshaping the roles and skills of HR managers.

Prof. Gaurang V. Purohit (2015):

Prof. Gaurang V. Purohit underscored the dynamic nature of technology's impact on the business world. In the Information Age, the advent of computers and the Internet has magnified this influence. Virtually all business areas, including human resources, have experienced significant transformation due to technology. The agility to adapt to technological changes pays substantial dividends, and HR managers play a pivotal role in fostering a conducive work environment for the swift initiation and implementation of changes enabled by evolving technology. Proactive HR managers anticipate cyclical changes and take proactive, less painful measures to remain competitive in a rapidly evolving technological landscape. In the long run, the effective utilization of human resources can profoundly impact a company's competitiveness and ability to thrive in an increasingly competitive technological realm.

Research Objectives:

To study the impact of technology on human resource management

3. Materials And Methods

Research Design: The study is descriptive in nature.

Research Tool: The study is secondary in nature and the content of the research paper has been collected through various sources as, journals, books and various website from the internet.

3. Results and Discussion

Impact of Technology on Msme Productivity

In recent years, technology has exerted a substantial impact on the productivity of Micro, Small, and Medium Enterprises (MSMEs). This influence has enabled MSMEs to streamline their operations, reduce costs, and enhance their competitiveness in the market. One pivotal outcome of technology's integration with MSMEs is the automation of various processes. Automation plays a crucial role in mitigating human errors, elevating operational efficiency, and freeing up valuable resources for more intricate tasks. For instance, automated systems for billing and inventory management have empowered MSMEs to maintain their financial and inventory records in an organized and efficient manner. Furthermore, technology has facilitated broader outreach for MSMEs. The realms of digital marketing and e-commerce platforms have enabled MSMEs to showcase their products and services to a more extensive and diverse customer base. This reduced reliance on local customers has translated into increased sales and augmented revenue for many MSMEs. Additionally, technology has emboldened MSMEs to explore new business models and expand their offerings. For instance, the adoption of subscription-based models allows MSMEs to furnish customers with ongoing services and products, fostering higher customer retention and revenue. However, alongside these benefits,

technology's adoption poses formidable challenges for MSMEs. The foremost among these is the financial aspect; the costs associated with implementing and maintaining technological infrastructure can be a substantial burden. Many MSMEs grapple with limited financial resources, potentially hindering their ability to compete with larger enterprises. Furthermore, the shortage of skilled personnel proficient in the operation and management of technology presents another hurdle for MSMEs. Training and upskilling employees in the realm of new technology can be both financially taxing and time-consuming, potentially constraining the MSMEs' ability to fully embrace technological advancements.

In summation, technology's impact on MSME productivity has been substantial, yielding benefits such as enhanced efficiency, increased sales, and diversified offerings. Nonetheless, MSMEs need to surmount challenges such as the financial implications of technology adoption and the cultivation of skilled personnel to fully capitalize on the advantages that technology offers.

Impact of Technology on Human Resource Management

The influence of technology on Human Resource Management (HRM) has been momentous, reshaping the manner in which organizations recruit, train, and oversee their workforce. Pioneering technological advancements like artificial intelligence, machine learning, and data analytics have instigated a profound revolution in HR processes, enabling organizations to base their decisions on data-driven insights.

One of the most notable impacts of technology on HRM is within the recruitment sphere. Organizations now harness digital platforms like job portals and social media to access a wider talent pool. Simultaneously, technology in recruitment has eradicated biases, expedited hiring procedures, and facilitated personalized onboarding experiences for new employees. The realm of employee training and development has equally undergone a technological metamorphosis. E-learning, virtual training sessions, and gamification have supplanted traditional classroom instruction, allowing employees to learn at their own pace and convenience. This paradigm shift has resulted in heightened knowledge retention and a more engaged workforce. Furthermore, technology has left an indelible mark on performance management within HRM. Tools such as performance analytics and feedback software have empowered organizations to accurately monitor employee performance, pinpoint areas for improvement, and offer consistent feedback. This holistic approach has led to increased employee productivity, job satisfaction, and overall organizational performance. However, amid the myriad advantages of technology in HRM, potential drawbacks also emerge. The utilization of employee data raises legitimate concerns related to privacy and security. The automation and digitalization of specific HR tasks could potentially displace certain jobs. Consequently, organizations must implement technology responsibly and ethically, considering its potential impacts on employees. In summation, the influence of technology on human resource management has been transformative, ushering in a multitude of benefits encompassing augmented efficiency, heightened productivity, and enhanced employee engagement. Nevertheless, organizations must exercise caution and ethical responsibility in their utilization of technology to forestall any adverse consequences.

Advantages of Technology in The Workplace

There are numerous advantages of technology in the workplace, including:

- **Increased Efficiency:** Technology streamlines workflows and automates repetitive tasks, increasing productivity and efficiency.
- **Improved Communication:** Technology provides various communication tools, such as email, messaging apps, and video conferencing, which allow employees to communicate and collaborate easily, regardless of their location.
- **Enhanced Flexibility:** Technology enables employees to work from anywhere, providing them with more flexibility in managing their work-life balance.
- **Access to Information:** Technology provides easy access to information, allowing employees to make informed decisions and complete tasks more efficiently.
- **Cost-Effective:** Technology reduces the cost of business operations, as it eliminates the need for physical storage and paper documents.
- **Improved Customer Service:** Technology enables businesses to provide better customer service through various channels such as social media, chatbots, and self-service portals.

- **Increased Innovation:** Technology enables businesses to innovate and create new products, services, and business models that meet the changing needs of customers.
- **Enhanced Data Analysis:** Technology provides advanced data analytics tools, enabling businesses to make data-driven decisions, identify patterns, and gain insights into business performance.

Overall, technology has transformed the workplace, making it more efficient, productive, and innovative, enabling businesses to compete and thrive in the global economy

Disadvantages of Technology in The Workplace

While technology has numerous advantages in the workplace, there are also some disadvantages that organizations need to be aware of, including:

- **Cybersecurity Risks:** Technology creates new cybersecurity risks such as data breaches, hacking, and malware attacks, which can compromise sensitive business information and cause significant financial and reputational damage.
- **Dependency on Technology:** Over-reliance on technology can lead to productivity loss and business disruption if there is a technical issue, power outage, or system failure.
- **Job Displacement:** Technology automation can lead to job displacement, as some tasks previously done by humans are replaced by machines, potentially leading to job losses and re-skilling challenges.
- **Decreased Social Interaction:** Technology can reduce face-to-face communication and social interaction, which can negatively impact team collaboration, creativity, and innovation.
- **Health Risks:** Excessive use of technology can lead to physical health problems such as eyestrain, back pain, and repetitive strain injuries.
- **Privacy Concerns:** The use of technology in the workplace raises privacy concerns, such as employee monitoring and data privacy violations, which can create mistrust and decrease employee morale.
- **Technological Obsolescence:** Technology evolves rapidly, and organizations need to continually invest in updating and replacing obsolete technology, which can be costly.

Overall, while technology offers significant benefits to organizations, it also presents some challenges that need to be carefully considered and managed. Organizations need to implement appropriate technology policies and practices to maximize the advantages of technology while minimizing its negative impacts.

4. Conclusion

In summary, technology has left an indelible mark on both Human Resource Management (HRM) and the productivity of Micro, Small, and Medium Enterprises (MSMEs). Within HRM, technology's far-reaching effects are evident in the transformation of recruitment, training and development, and performance management, ultimately culminating in heightened efficiency, productivity, and bolstered employee engagement. Nevertheless, the judicious and responsible implementation of technology is of paramount importance to counteract any adverse consequences concerning employee privacy, security, and potential job displacement. In the context of MSMEs, technology has emerged as a game-changer, offering a gateway to innovation and growth through the utilization of digital tools and online platforms. These technological instruments have empowered MSMEs to streamline their operations, broaden their customer base, and enhance their competitive edge within the market. However, it is essential to recognize that the equitable access to technology remains an arduous challenge for numerous MSMEs, particularly in developing nations where infrastructural limitations and resource constraints persist. As such, there arises an unequivocal need for MSMEs to harness technology effectively, unlocking their full potential. Simultaneously, governments and stakeholders bear the responsibility of prioritizing investments in technology infrastructure and extending their support to MSMEs, thereby facilitating their adept adoption and efficient utilization of technology. In conclusion, the impact of technology on both HRM and MSME productivity is undeniably profound, underscoring the imperative need for its responsible integration and adoption to realize its complete spectrum of benefits while averting potential drawbacks.

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