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## A Study of the impact of Human Resource Technology on Employee Relations

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### Abstract

*The perpetual revolution in the field of technology has restructured and redefined the business and its dimensions. Regardless the nature and the size of the organization, the business leaders and managers are embracing technology with open arms. Human resource being the nucleus of an organization, the pulse of these radical transformations can be felt at a greater pace. With the amalgamation of technology in business, the employment relations are not immune to changes. HR technology are focusing its lens on improving the overall efficiency and effectiveness of the business by assisting the employers in automation, communication, talent acquisition etc. thus slackening them to focus more on employee engagement. This in turn develops a trusting workplace environment. The influx of HR technology has shifted the nature and focus of employee relations from task centric to people centric, thus, brings the two edges closer than ever before. However, relatively little research has examined the impact of HR technology on employee relation. This research paper tries to conceptualize the HR dimension where technology play a vital role and thus critically examine the impact of HR technology from the focal point of employer and employee perspective.*

**Keywords:** HR Technology, Employee Relations, employer, employee.

### 1. Introduction

Employee forms the nucleus of the organization. The core competency of an organization lies in its ability to recognize and employ human resources who have the proficiency to turn the potential threats into opportunities and thus bring profit and competitive advantage to the organization. The employers are also acknowledging the associated microscopic mileage that a conscientious employee can bring to their organization. Thus, at the grass root level they are leaving no stone unturned to minimize employee turnover by creating and maintaining healthy employee relations. A sound employee relation in an organization is a pre requisite for ensuring the organizational success. A constructive employee relation calls for cooperation, mutual trust, respect, value recognition and collaboration from the sides of employer and employee.

HR technology have reshaped and redefined the organization culture by making the business processes highly integrated and streamlined. HR technology not only assists the HR managers and professionals in carrying forward their routine task but has also changed the way the employer and employee interact with each other. HR technology has enhanced the collaboration among employers and employees, thus intersection the interest of both the entities. This calls for redefining the employment relationship. With the integration of technology in business to take possession of most of the business operations, it is vital to discuss and understand how the employee relations are shaping and growing with the technology.

## 2. Review of Available Literature

### 2.1 Human Resource (HR) Technology

Human Resource Technology, commonly called as HR Technology is a comprehensive solution that integrates hardware and software for facilitating HR managers and professionals in streamline flow of routine managerial and operations functions. In an article Rouse M stated that HR Technology is an umbrella term for software and hardware for automating the human resource functions in an organization. Fundamentally, we can define HR Technology as a set of tools and technologies used by Human Capital professionals to research, analyze, organize, manage and enable HR business performance through integration of people and technology (Ghosh, 2019).

Since its inception, HR was considered primarily paper centric function. The human resources function has been administrative function headed by individuals whose roles are largely focused on cost control and administrative activities (Ulrich, 1997). The introduction of the computer in the workplace led to the development of PC tailored HR application. These solutions offer a great advantage of reporting but suffered from the limitation of their inability to share data or integrate with other HR system. With the continuous advancement in the technology that paved the way of globalization and digital landscape growth, HR specialist began to search for a collaborative system that integrates people and technology. HR Technology was initially dominated by traditional process of recruiting, storing employee data, managing payrolls etc. However, with a generational shift in technology, the older models of installed HR software were replaced by cloud based HR database system that covers the full spectrum of tasks associated with human resource department. Attracting, retaining, and motivating employees, meeting the demands for a more strategic HR function, and managing the “human element” of technological change in the future has been enabled by advancements in IT to meet the challenges of HRM (Ashbaugh and Miranda, 2002).

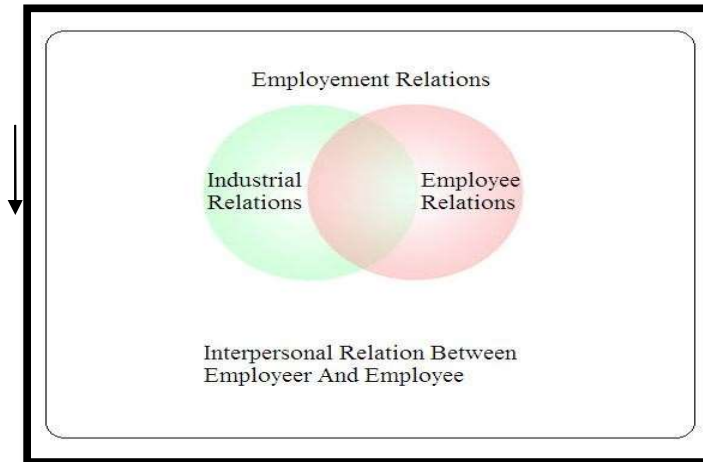
According to PWC Global survey of 600 HR and IT leaders, business leaders are increasingly using HR Technology in various HR domains including recruiting, training, staff development etc some of which are listed below (Starner, 2020).

1. Finding, attracting and retaining talent (58%)
2. Developing people to reach their full potential (43%)
3. Improving the employee experience (42%)
4. Creating a collaborative work environment (40%)
5. Workforce planning (38%)
6. Ensuring wellbeing, inclusion and diversity (34%)

### 2.2 Employee Relations

Over the last few decades, employers have recognized the importance of employees in improving and enhancing the productivity of the organization. Successful business leaders have realized the importance of putting the employees first than the customers. While serving the needs of the customer is the sole reason for the existence of the organization, the employers sometimes forget to honor the contribution of the employees as the element of success and growth, thus eroding the employee relationship. Richard Branson has regarded employees as one of the critical factors that lay the foundation of success for an organization. In his view, employees should be prioritizing before customers as the happy and satisfied employees will take care of customers. The perception of considering the employees as a human being and not an asset is not only ethical but is also a strategic move for any organization. Employees are now viewed only as headcount but are valued as strategic partner for growth. This call for not only creating and building but also maintain long term relationship with the employees. Employee relations are not only an HR program but also a core business strategy.

The term employment relations cover a broad spectrum of interpersonal interactions in a workplace such as cooperative efforts, interpersonal and group relationships. The focus of employment relations is to deal with the people, the employees and the issues that spring up from their employment. Over the years, the term industrial relations were used interchangeably with employee relation to cover all types of relations that stems during the course of employment. The term industrial relations and employee relations are the area of management research affined with the workplace environment and relations. The following diagram depicts the above statement.



**Figure 1: Relation between industrial relations and employee relations**

However there is considerable difference between them. The concept of industrial relation revolves around studying and analyzing the complex relationship among the management and the employees of an organization at the workplace and also provides a mechanism for settlement of industrial dispute (Parchi. M, 2019).

The industrial relations are the outcome of interaction among the three major actors, the employer, the employee and the government. However the term is no longer widely acceptable to the employers. With the shift in focus from considering employees as paid labours to stakeholders and strategic partners that can impact cost, competitiveness and long term economic sustainability of a business, employers are recognizing the importance of healthy relationship in a workplace. According to the Chartered Institute of Personnel Development, the use of industrial relations to describe workplace relations is no longer as prevalent, due to the widespread deindustrialization of developed economies and declining union membership. Instead, employers now use the term “employee relations,” which refers to relationships that exist in both unionized and nonunionized workplaces (Mowatt, 2019). Employee relations are not only a different label but also a different concept tagged by its bipartite nature. Employee relations replace the term industrial relations as it extends to covers much more than just the collective relationships between employers and their workforce (Down, 2019). As opposed to the industrial relations which is a generic concept that is concerned with the representatives of employers, the representatives of employees and their associated institutions, employee relations limits its scope and nature to include the role of the two pillars of organization viz. the employer and the employee. Employee relations, known historically as industrial relations, are the relations that emerge as a contractual, emotional, physical and practical relationship between employer and employee. (Robins, 2017). The key of employee relations lies in organizations effort to erect, nurture and manage relationships between employer and employees.

### 3. Research Methodology

The study was primarily depended on secondary data as there was no primary research conducted. The research study has used the descriptive research design. The secondary data has been collected from research papers, publications, websites, HR blogs and survey reports published by various research organizations.

## **4. Result Analysis and Findings**

The study of the different research paper, blogs, and website has helped to list the following findings.

### **4.1 Impact of HR Technology on Employee Relations**

The HR technology has a significant impact on the employee relations. Integration of HR Technologies such as cloud computing, big data, Internet of Things (IOT) into a single solution has become a widespread reality in HR practices, allowing substantial acceleration of workflow with greater ease of work.

The researcher has cited the following ways in which HR technologies are improving employee relations.

#### **4.1.1 Improved Communication Channels:**

At the very outset, clear, open and transparent communication is a key to improving employee relations. Healthy communication enables to building a positive and conducive work environment. The availability of latest technology, workflow communication applications such as social intranet software, collaborative digital workspaces, robust mobile devices, chat services allow for instant and valuable communication. Communicating the employees about the performance of the organization helps them to visualize belongingness among employees.

**4.1.2 Improved career advancement opportunities:** Articulating the significance of career development opportunities in a good career path maintains the focus of the most ambitious and valuable employees and maximize performance across the workforce (Wells, 2015). The performance review process paves the path for career advancement and development opportunities, with employees to improve their performance and insisting their employees to provide this opportunity. HR technologies stimulate the employees' preference by collaborating with E-learning module which not only opens doors to acquire new skills but also develop insight for achieving a greater work life balance.

#### **4.1.3 Promoting Work Life Balance:**

HR technologies is empowering employees to utilize their true talents by automating their routine responsibility and taking over task that requires critical analysis and evaluation. HR Technologies help to complete a work effectively and efficiently thus translating into a better relationship between life and work.

### **4.2. Negative Impact of HR Technology on Employee Relations**

Despite of the fact that HR Technology has improved the quality and efficiency of routine operations of a HR professional and has totally changed the scenario of employee relations, the limitations that it offers cannot be overlooked particularly when the price of progress value is placed on impersonal internet communications rather than human interactions. HR technology has radically changed the workplace but has placed employees in a position where, they find them isolated from the real world. HR technology hinders socializing and interpersonal relations which are prominent in an individual's social development. The pervasive use of technology has also brought into the limelight the mental health



issue. With most of the organizations embracing a need for the employees to be contactable almost rounds the clock. This has exposed the employees to immense stress and anxiety about work expectations. Another area of concern is the misleading fear of HR Technology taking over jobs. However, the employees need to understand that the HR technology a like automation eliminates tedious, low valued, repetitive and unrewarding task that the employees find difficult to handle. The employers need to play a central role to address these issues. They should take concrete steps to elevate the employees fear and balance this advancement with technology.

## 5. Conclusion

The increasing adaption and adoption of HR Technology has changed the entire scenario of HR relations and has a significant impact on employee relations. HR Technology provides a fluid networked environment that empowers employees to connect with the people and resources they need to deliver a value based experience. The employers enjoy benefit of cost reduction, decision process automation and improved performance enabling them to focus more on employee development areas. For the employees the pluses are development through learning, career planning, development etc. On the flip side, it challenges the ability of building interpersonal relation in important ways. It also limits the opportunity for those employees who resist upgrading their skills with the evolving technological advancements. Thus, HR Technology has both positive and negative impact on the employee relation. However, a wise use of technology in the workplace helps to leverage these opposing denials.

Building trust and respect is the key in building a constructive working environment and HR Technology can act as a bridge in bringing the two communities together.

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