



H.R. ETHICS IN THE DIGITAL AGE OF HUMAN RESOURCE MANAGEMENT

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Abstract:

The human resource manager's role to ensure business-wide ethical practice has grown more difficult in the digital age. If a company does have an ethical red flag, chances are good that it will be found out. Today's HR leaders must expand their ethical charges, and that includes technology guidance and the oversight on the use of data by the organization. The world has undergone far reaching cultural, societal and economical changes based on the increasing dominance of digital technologies. In sum, these changes have led to the current period being characterized as the "digital age". In line with these changes, digital technologies play an increasingly prominent role in both the lives of employees and human resource management (HRM), which seems to be affected in multiple ways. Ethical HRM in digital age is an exploratory study and main purpose of the study is to identify the influence of the technology on the various HR function & understand the changing trends in HR with respect to technology in different organization. The world has undergone far reaching cultural, societal and economical changes based on the increasing dominance of digital technologies. In sum, these changes have led to the current period being characterized as the "digital age". In line with these changes, digital technologies play an increasingly prominent role in both the lives of employees and human resource management (HRM), which seems to be affected in multiple ways. Digitalization demands HRM to evolve, as it requires new HR competencies, new employment forms and agile HR processes.

Keywords: Cultural, Digitalization, economical, Ethics, Human resource management

Introduction:

The world has undergone far reaching cultural, societal and economical changes based on the increasing dominance of digital technologies. In sum, these changes have led to the current period being characterized as the "digital age". In line with these changes, digital technologies play an increasingly prominent role in both the lives of employees and human resource management (HRM), which seems to be affected in multiple ways. This special issue focuses on the impact of these changes on HRM, in relation to changes to the workforce, to HRM in general and more specifically to the use of technology in delivering HRM activities. This digital 'revolution' has consequences for contemporary organizations on multiple levels. Previous research focuses on consequences of digitalization for customer



preferences, buying behavior, marketing and business performance. Consequently, the objective of this thesis was to delve deeper into human resource management in a digital era. The study illuminates how digitalization has implications for HR managers further than merely reducing and automating administrative tasks. Digitalization demands HRM to evolve, as it requires new HR competencies, new employment forms and agile HR processes.

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Digitalization in Human Resource Management

While a broader discussion and categorization of digital changes of HRM is missing at present, reviewing the literature yields three focal areas that might be briefly labelled as “digital employees”, “digital work” and “digital employee management”. As a first major area, the concept of “digital employees” figuratively refers to assumed larger changes in the core subject matter of the HR profession: labelled with various terms such as “digital natives”, “millennials” or “next generation”, it is assumed that the early, intimate and enduring interaction with digital technologies has shaped a new generation of people with distinctively different attitudes, qualifications, behaviours and expectations. Early literature on the phenomenon suggests that, based on the enduring interaction with digital technologies, this new cohort of people is generally characterized by marked digital qualifications, multitasking capabilities (in particular fast and parallel information processing), affinity for networking, learning by doing and preference of instant gratifications and frequent rewards. Given this, literature is additionally concerned that these differences will aggravate or even prevent mutual cooperation and understanding between generations.

It is obvious that HRM should react to such changes and align its strategies and activities to this new labour market cohort, and search for adequate ways to recruit, develop, compensate, etc. such “digital employees” and moreover to integrate them with previous generations of employees. The challenge for HRM therefore is to identify actual digitally



induced changes in attitudes, qualifications, behaviours and expectation of younger employees, while yet avoiding any stereotyping and considering heterogeneity of actual changes. Based on this, the strategic and operative adaptation of HRM to a changing workforce constitutes a step necessary to support organizations further on. In this way, “digital employees” constitute a first notable area of digital changes and challenges of the HR profession.

Digital HR in 21st Century

Many of the administrative tasks associated with HR are now outsourced, or automated. As a result, businesses are demanding new expertise from their HR staff. To add value, modern HR professionals are now becoming more strategic and proactive, and have to be experts on all social and technical trends that can improve their teams. To fully understand this shift in HR, we must understand the changing trends of HR with respect to the change in technology. Huge impact of digitalization can be viewed on the HR functions such as Recruitment, Training & Development, Performance management, Payroll, ESS & Workflow management.

Digitalization in Employee Selection /Recruitment

The recruitment industry is probably one of the oldest among the service industries in the world and it is still the largest segment of the HR industry with an annual turnover of over \$400 billion globally. In India, recruitment services started about 20 years back when the economy got liberalized and there was a sudden spike in the demand for talent. In case of Recruitment, IT has a highly positive impact. E-recruitment is the use of technology or web based tools to support the recruitment process. The major ways of recruitment, which companies commonly use are by displaying the career opportunities on their websites, depending on the job portals for making the potential hires and using social networking sites (SNS) for getting the database. E-recruitment can be divided in to two types of uses:

- a) **Corporate websites** are a company’s own website with a link for job posting/career options where candidates can log into for current openings. Major IT services companies in India like HCL, Wipro, TCS etc hire 7-10% of their overall employees through Social Networking Sites (SNS) and these companies have a separate recruiter team for coordinating these activities.
- b) **Commercial Job boards** is a website that allows employers to post job requirements for a position to be filled and allows fresher & employees to post their profile in order to get a job opportunity, in simple words job boards are employment websites. There are several top job sites in India like Naukri, Monster India, Times Jobs, Careerjet, Naukri



Hub, Career India, Bixee, Click Jobs, Career Age, and Freshers world that provide you information on various openings and also on other relevant topics.

Ethical issues in Human Resource Management

Ethical Issues in Recruitment and Selection Recruitment is the process of announcing job vacancies with a view to attracting a pool of qualified applicants to fill up vacancies in an organisation. It is regarded as a positive process. Selection is the process of evaluating those who have been searched for and obtained through recruitment with a view to deciding whether they can be employed or not. It is also the process of choosing the individual or individuals who best meet the job-related criteria. “Selection is a decision-making activity: the psychological calculation of suitability”. While recruitment is a positive activity, by contrast selection is viewed as a negative process or activity in so far as it involves picking out the best of the bunch and turning down the rest. The following are unethical practices in recruitment and selection.

Discrimination:

Discrimination includes any distinction, exclusion or preferences made on the basis of race, sex, age, religion, national origin, pregnancy/child birth, familial/marital status disability, sexual orientation, HIV/AIDS, prior arrest/conviction record to mention a few which has the effect of nullifying or impairing equality at work. Discrimination on the basis of age, sex, race, marital status, religion, state of origin, disability, ethnicity, HIV/AIDS victims are unethical practices in recruitment and selection.

Sexual Harassment:

Sexual harassment is a violation of Title VII of the Civil Rights Act, 1964. The Act defines sexual harassment as unwelcome sexual advances, request for sexual favours, and other verbal or physical conduct of a sexual nature. Such conduct by an individual is used as the basis for employment decisions affecting such individual or has the purpose or effect of substantially interfering with an individual’s work performance or creating intimidating, hostile or offensive working environment.

Unfair Recruitment and Selection Practices:

Such as nepotism, favouritism, god fatherism, Federal character principle and quota system. Asking for bribes prior to and after recruitment and selection exercise. Lack of realistic job preview as well as non- disclosure of the positive as well as the negative characteristics of the job to applicants at the point of entry into the organisation which could lead to undue expectations and could cause frustration and eventual turnover. Giving preference to job



candidates on the basis of the university attended is unfair practice. Employment tests that are culture-bound should be examined to see if they are culture fair. That is, if they contain items that can be equally answered by all nationalities. Such tests should be related to the position being considered.

Negligent Hiring:

Employing prospective candidates without proper and adequate background checks or reference.

Age Discrimination in Employment:

The purpose of recruitment is to attract the best qualified candidates for satisfactory job performance. It does not make a good sense in deliberately exclude suitably qualified candidates on the basis of age in advertisements. This amounts to age discrimination which is an unethical recruitment practice, except age is a bonafide occupational qualification. Ethical Issues in Compensation and Reward Management Staff remuneration or “pay affects the way people work in terms of how much and how well”. Most conflicts at work could be explained by poor pay and other pay- related issues. The outcome of pay dissatisfaction may include lower job performance, increase grievance, incessant absenteeism or presenters as well as labour turnover. The extent of pay equity, fairness, periodicity and regularity are all ethical issues in compensation management. More so, organisations should ensure equal pay for work of equal value. According to Howe (1995,p.70), “pay should not be based on age or age related criteria but should reflect the degree to which an individual meets the required standards of satisfactory job performance and the value of their contribution to the overall objectives of the organisation.” Reneging on company pension agreements is unethical.

Ethical issues in Training and Development

The concept of training has been variously defined. According to Obisi (1996) citing Steinmetz (1969) training is viewed as a short – term process utilizing a systematic and organized procedure by which non-managerial personnel learn technical knowledge and skills for a definite purpose. Thus, training is specific and directional. The following are some unethical training and development practices: training for training’s sake without a demonstrated need, improper evaluation of training and development, paying lip service to training and development, negative training and development philosophy, training employees who curry favour or embark on boss massaging or kissing up, training programme viewed by trainees as a form of holiday from work as well as training based on discrimination on the grounds of sex, age, ethnicity or closeness to ones boss.



Preventive Measures

These are based on the philosophy that “prevention is better than cure” The preventive measures to protect employees against occupational health hazards may include but not limited to the following:

- Pre-employment medical examination
- Periodic post selection medical examination

Removal of hazards conditions to the extent possible

- Surveillance of special classes of workers such as women and aged employees who are exposed to health hazards
- Emergency treatment in case of accidents
- Education of workers in health hazards
- Education of workers in health and hygiene
- Training in first-aid to workers
- Proper factory lay-out and illuminations
- Proper and efficient disposal of refuse and treatment of plants
- Proper scheduling of work with adequate rest
- Provision of health and safety gadgets

Conclusion:

The digital ‘revolution’ has consequences for contemporary organizations on multiple levels. Previous research focuses on consequences of digitalization for customer preferences, buying behavior, marketing and business performance. Consequently, the objective of this thesis was to delve deeper into human resource management in a digital era. Ethical Issues in Recruitment and Selection Recruitment is the process of announcing job vacancies with a view to attracting a pool of qualified applicants to fill up vacancies in an organisation. Unethical training and development practices: training for training’s sake without a demonstrated need, improper evaluation of training and development, paying lip service to training and development, negative training and development philosophy, training employees who curry favour or embark on boss massaging or kissing up, training programme viewed by trainees as a form of holiday from work as well as training based on discrimination on the grounds of sex, age, ethnicity or closeness to ones boss. Discrimination on the basis of age, sex, race, marital status, religion, state of origin, disability, ethnicity, HIV/AIDS victims are unethical practices in recruitment and



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