The Phenomenon of Disruption in Human Resource Management: A Systematic Literature Review

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A B S T R A C T

Disruptions in human resource management (HRM) include changes in the way companies recruit, manage, retain, and develop their employees. In the ever-evolving digital era, technologies such as artificial intelligence, data analytics, and automation have become key drivers of this change. In addition, shifts in employee preferences and expectations also affect HRM practices. This study aimed to conduct a systematic review to explore the phenomenon of disruption in human resource management. The literature search process was carried out on various databases (PubMed, Web of Sciences, and Google Scholar) regarding the analysis of the disruption phenomenon in human resources management. This study follows the preferred reporting items for systematic reviews and meta-analysis (PRISMA) recommendations. Disruption in human resource management is a necessity. The phenomenon of disruption has changed aspects of human resource management related to the use of technology, digitalization of human resource management services, orientation towards employee satisfaction, and the adoption of a collaborative and inclusive culture in organizational leadership.

1. Introduction

Human resource management (HRM) is an important function within an organization that is responsible for managing the existing workforce and human assets. However, in recent years, HRM has experienced significant disruption. Technological developments, social changes, and global market dynamics have fundamentally changed the HRM landscape. Disruption in HRM includes changes in the way companies recruit, manage, retain, and develop their employees. In the ever-evolving digital era, technologies such as artificial intelligence, data analytics, and automation have become key drivers of this change. In addition, shifts in employee preferences and expectations also affect HRM practices (Deloitte, 2017).

Technological advancements such as artificial intelligence (AI), data analysis, and automation have changed the way companies perform HRM tasks. For example, using chatbots to answer employee questions, using cloud-based talent management systems to recruit and manage employees, and using data analytics to make more effective decisions in employee management. Changes in job preferences and employee expectations have led to the adoption of flexible working models, such as remote work and freelancing. This requires HRM to develop policies and practices that support flexible workers, including remote performance management, results-based

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performance appraisal, and the development of relevant skills (Bersin, 2018).

Digitalization has changed traditional HRM administrative processes such as payroll, attendance management, and employee data management. The use of a cloud-based HRM system or integrated HRM software allows easy access, fast data processing, and efficient monitoring. Disruption in HRM is also related to the emphasis on employee experience. Companies are now more focused on creating a fun, inclusive work environment and providing a good work-life balance. This includes employee benefits programs, skills development, and support for work-life balance. The traditional leadership model has also experienced disruption. Hierarchical and authoritarian-based leadership has been replaced by more collaborative and inclusive leadership. HRM needs to support the development of relevant leadership skills, encourage team-based leadership and facilitate collaboration between departments (Bersin, 2017; Bersin, 2018).

Along with this disruption, the traditional HRM paradigm that focuses on administration and compliance is increasingly turning into a strategic function-oriented towards creating added value for the organization. HRM is now faced with new challenges and opportunities that require them to understand and adopt emerging technologies, adapt to changes in workforce requirements, and create positive and meaningful work experiences for employees. At a strategic level, HRM should act as a strategic partner to executive management and contribute to the development and implementation of organizational strategy. They must understand labor market trends, create competitive advantage through human expertise, and ensure that companies have skilled, engaged, and high-performing employees. In this context, disruption in HRM is not only a challenge but also an opportunity to change the role and contribution of HRM in achieving organizational goals (Parry, 2018; SHRM, 2019). This study aimed to conduct a systematic review to explore the phenomenon of disruption in human resource management.

2. Methods

The literature search process was carried out on various databases (PubMed, Web of Sciences, and Google Scholar) regarding analysis of disruption phenomenon in human resources management. The search was performed using the terms: (1) "disruption" OR "disruption phenomenon" OR "human resources management" OR "disruption in human resources management" AND (2) "disruption" OR "human resources management." The literature is limited to original studies and published in English. The literature selection criteria are articles published in the form of original articles, a study about analysis of disruption phenomenon in human resources management, studies were conducted in a timeframe from 2012-2023, and the main outcome was an analysis of disruption phenomenon in human resources management. Meanwhile, the exclusion criteria were original articles that were not related to the analysis of the disruption phenomenon in human resources management, the effect of disruption in other aspects, and duplication of publications. This study follows the preferred reporting items for systematic reviews and meta-analysis (PRISMA) recommendations.

3. Results and Discussion
Use of technology

Advances in technology such as artificial intelligence (AI), data analysis, and automation have changed the landscape of tasks in the field of human resource management (HRM). Chatbots are used within HRM departments to answer routine questions from employees regarding policy, leave, benefits, and other employee information (Sparrow, 2016).

Identification of studies via databases and registers

Identification

Records identified from:
Databases (n = 54)

Records removed before screening:
    Duplicate records removed (n =0)
    Records marked as ineligible by
automation tools (n = 0)
    Records removed for other reasons (n = 0)

Screening

Records screened
(n = 24)

Records excluded
(n = 30)

Reports sought for retrieval
(n = 20)

Reports not retrieved
(n = 4)

Reports assessed for eligibility
(n = 3)

Reports excluded:
    Full text article exclude (n = 8)
    Published not in English (n = 6)
    Inappropriate methods (n = 3)
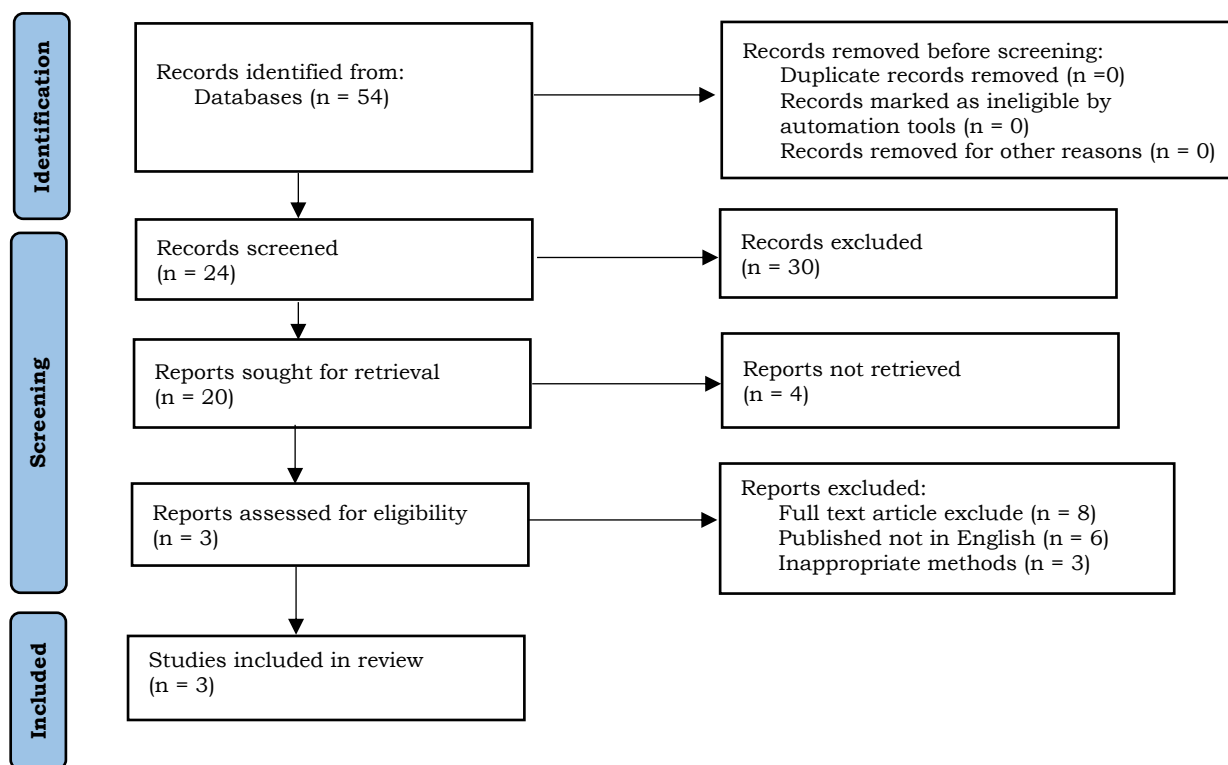
Included

Studies included in review
(n = 3)

Figure 1. Research PRISMA diagram.

Chatbots are able to provide fast and accurate responses, reduce HR's workload in answering routine questions, and allow them to focus on more strategic tasks. The company uses a cloud-based talent management system to recruit, manage and develop employees. This system allows companies to automate the recruitment process, including providing information on vacancies, pre-screening, and scheduling interviews. In addition, this system can monitor employee performance, identify development potential, and provide online training. Employee data such as performance, absenteeism, and satisfaction can be analyzed using data analysis techniques. This assists HR in making more effective decisions in employee management, such as identifying training needs, recognizing outstanding employees, managing work-life balance, or developing incentive programs.

Data analysis can also assist HR in identifying trends or patterns that can support long-term strategic decision-making. The use of technology in HRM, such as mobile applications for managing attendance, system-based payroll, and collaboration platforms to facilitate communication and teamwork among employees. Technology is constantly evolving, and the possibilities for using AI, data analysis, and automation in HRM will continue to evolve over time to improve employee efficiency, productivity, and experience. Flexible worker: changes in job preferences and employee expectations have led to the adoption of flexible working models, such as remote workers and freelancers. This requires HRM to develop policies and practices that support flexible workers, including remote performance management, results-

based performance appraisal, and the development of relevant skills (Bersin, 2019).

HRM process digitization

Digitalization has changed traditional HRM administrative processes such as payroll, attendance management, and employee data management. With a cloud-based HRM system or integrated HRM software, employee data and related information can be easily accessed by HR teams and managers in various locations. No more searching for physical files or relying on slow, manual processes. All data is available on a single platform that can be accessed via a computer or even a mobile application. A cloud-based HRM system or integrated HRM software enables the automatic processing of employee data. For example, in payroll, the system can calculate salaries, deductions, and benefits quickly and accurately based on set parameters. This reduces the risk of human error and saves time previously spent on manual processing. With an integrated HRM system, the HR team can easily monitor and track various aspects related to employees. This includes personal information, attendance data, performance data, and training and development history. Efficient monitoring allows HR to identify trends, address issues quickly, and take necessary actions to ensure employee well-being and productivity. Cloud-based HRM systems or integrated HRM software are often equipped with a high level of security to protect employee data. This includes data encryption, restricted access based on roles and permissions, and regular data backups. With these security measures in place, the risk of leakage of employee personal data can be minimized. The use of a cloud-based HRM system or integrated HRM software allows companies to optimize efficiency, increase accuracy and reduce reliance on manual processes. This gives the HR team more time and resources to focus on employee development strategies, talent management, and other initiatives that have a greater impact on the overall success of the organization (Redman, 2009; Boudreau, 2011; Ulrich et al., 2017).

Employee experience

Disruptions in HRM have also led to a greater emphasis on the employee experience. The company realizes that creating a fun, inclusive, and balanced work environment is the key to attracting, retaining, and motivating quality employees. Companies are currently working to create a work culture that is positive, inclusive, and focuses on collaboration. They create a pleasant environment by paying attention to factors such as diversity, equal opportunity, and rewarding and recognizing employee contributions. The company recognizes the importance of employee welfare in maintaining optimal work-life balance and productivity. They provide well-being programs that cover physical, mental, and emotional aspects, such as health facilities, fitness programs, counseling, and mental health support. The company is now focusing on developing employee skills through training, courses, mentorship, and career development programs. This helps employees to continuously learn, develop and reach their full potential, thereby providing a sense of accomplishment and satisfaction. The company realizes the importance of a balance between work and personal life. They provide policies and flexibility that allow employees to maintain that balance, such as remote working, flexible work schedules, adequate time off, and support for child or family care. With a focus on employee experience, the company aims to create a climate that supports and encourages employee happiness, motivation, and engagement. This can increase employee retention, increase job satisfaction, and result in better overall performance. Digitalization and technology also play a role in supporting the employee experience with collaboration platforms, performance management tools, and real-time feedback that facilitate employee communication, recognition, and development (Cascio, 2015).

Change in leadership

The traditional leadership model based on hierarchy and authoritarianism has experienced disruption. Companies today prefer to adopt a more collaborative, inclusive, and team-based leadership model. This is closely related to the shift in work culture, which is more open and flexible and values the active participation of all team members (Lawler, 2015; PwC, 2019). In this context, the role of HRM becomes important in supporting the development of relevant leadership skills and encouraging different leadership practices. HRM can design a leadership development program that involves coaching, skills training, and leadership development. This program should focus on developing relevant skills, such as communication skills, adaptability, inclusive leadership, collaboration skills, and innovative problem-solving (Sparrow, 2014; Bersin, 2015; SHRM, 2020). HRM can encourage team-based leadership practices by promoting collaborative and inclusive teamwork. This involves empowering team members to participate in decision-making, facilitating cross-departmental collaboration, and encouraging team sharing of responsibility and accountability. HRM can facilitate more open and open communication between leaders and team members. This can include providing a platform or communication channel that allows for continuous feedback, open discussion, and exchange of ideas between all team members (Deloitte, 2020). HRM must play a role in establishing an inclusive organizational culture where all team members feel heard, valued, and encouraged to participate actively. This can be achieved through policies and practices that encourage diversity, respect differences, and respect the opinion of every individual. HRM needs to provide continuous training and support for leaders in developing relevant leadership skills. In addition, it is also important to monitor leaders' performance and provide constructive feedback to help them continuously improve the way they lead and motivate teams. By adopting a more collaborative and inclusive approach to leadership, companies can build a work culture that supports innovation, employee engagement, and the effective achievement of organizational goals (Levensaler, 2017; Capelli, 2018; Bersin, 2020).

4. Conclusion

Disruption in human resource management is a necessity. The phenomenon of disruption has changed aspects of human resource management related to the use of technology, digitalization of human resource management services, orientation towards employee satisfaction, and the adoption of a collaborative and inclusive culture in organizational leadership.

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