Chapter 5 Utilizing Technology to Enhance Human Resource Practices

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ABSTRACT

HR management departments are constantly evolving as a result of new technological advancements. For family HR firms, this technological evolution is vital in ensuring that they remain innovative and current with their competitors. Technology has impacted how companies recruit, retain, and evaluate employees. However, in order to ensure that technology is effectively and accurately adopted and integrated, companies need to understand how they can employ technology to enhance their daily operations and implement tools that provide an adequate return on investment for the technology they select. In family firms, a vast majority of employees are able to ensure that funds are invested in appropriate technology-enhanced projects and that they develop a family-like culture with their stakeholders. This chapter will seek to explore these emerging trends in order to present opportunity for family owned firms to function most efficiently and effectively in the modern, technology enhanced workplace.

INTRODUCTION

There are many ways that technology has impacted professional practices. One particular field that has been revolutionized by technology is human resource (HR) management. When technology is used effectively, HR staff are able to refine their practices and procedures to be more efficient, to provide clearer communication to employees, to track employee progress and needs, and to recruit the best candidates in the workplace. Essentially, advances in technology have fundamentally reshaped how individuals work and organizations function and provide services. Indeed, Stone et al. (2015) proclaimed that technology has had a profound impact on HR processes and practices and that diverse technological tools can be utilized to attract, motivate, and retain employees. Also, Turulja and Bajgorić (2016) shared that the

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adoption of technology positively influences an organization's performance. For example, technological resources have been found to monitor employee turnover, improve employee experiences, and increase employees' levels of satisfaction and commitment (Carlson et al., 2017).

By integrating technological tools, employees may also become more productive thus increasing the company's success. Further, providing employees opportunities to become more productive is an essential component in developing a workforce that is more satisfied and motivated (Stewart & Brown, 2020; Suyono et al., 2019). The use of technology may be particularly essential in family HR management firms since they may operate similar to extended family units. Particularly, Sharma (2012) proposed that family owned firms may face unique challenges since emotions can interfere with business processes and decisions. The inclusion of technology-enhanced HR processes may be vital in helping family owned firms engage in objective and practical practices. Particularly, ensuring effective HR practices in family owned firms is a requisite for continual strategic gains (Clinton, 2016). However, based on their work through the lens of imprinting theory, Kidwell et. al (2018) noted the potential for bad habits in HR practices to continue through generations of family HR management firms. The inclusion of innovative technologies has the potential to disrupt these bad habits and creative new, effective management processes and communication styles in HR. Further, these technologies are vital in family owned firms since there is a notion that these types of organizations are slow to embrace new technologies into their companies.

BACKGROUND

The Impact of Technology on Human Resources Professional Practice

Technology has transformed how HR management and organizations recruitment candidates, interact with individuals, and target their talent pool. Even in family owned businesses and HR firms, hiring non-family members is key to the company's success. Indeed, Clinton (2016) proclaimed that the effectiveness and quality of a family business is reliant on family and non-family talent. The advent of platforms such as LinkedIn, Twitter, and Facebook provide companies the opportunity to post jobs and attract and recruit a wider and more diverse range of applicants (Collmus et al., 2016; Koch, et al., 2018; Melanthiou et al., 2015; Tufts, et al., 2014; Zide et al., 2014). Moreover, many companies now communicate with job seekers in cyberspace and use mobile technologies to evaluate potential candidates (Holm & Haahr, 2018). We live in a society where we are seeing a greater emphasis on the importance of engagement with community, whether that be a specific location, a group of family or friends, or a workplace community. Further, we often see that individuals who feel a part of something and connected with those around them are more confident, successful, and are generally more productive in the workplace. Therefore, family firm organizations are also able to benefit from HR policies that actively foster this type of connectivity and engagement in the workplace for their employees.

Wilton (2016) postulated that positive psychological contact in organizations results in increased motivation, lower turnover rates, enhanced job satisfaction, and organizational commitment. The inclusion of technology can also be impactful in providing HR staff the necessary tools needed to make more informed and effective decisions. In family owned firms, HR informed decisions may be more likely to be focused on subjective rather than objective input. Specifically, decisions made regarding family members may be driven by emotional factors in comparison to business ones that are derived by ratio-

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