# Chapter 38 Transformation of Human Resources Management Solutions as a Strategic Tool for GIG Workers Contracting

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#### ABSTRACT

Recently, organizations are becoming more intelligent, flexible, and efficient by using new digital technologies in human resources management (HRM). The HRM solutions are considered as an important source to support strategic decisions, create value within and across organizations for employees and management. Today, organizations are facing challenges for gig workers to retain the level of progression and development required for business continuity. Gigs are generally self-employed who are very hard to manage without having a solid e-HRMS that can fulfill their needs in addition to the permeate employee needs as well. The main objective of this chapter is to highlight digital transformation in HRM and dive into the e-HRM concept, development stages, types, and strategies. In addition, it shows how e-HRM contributes to increase the effectiveness of human resources. It will also discuss multiple dimensions about the gig work management (GWM) including the contracting methodologies, policies, and behaviors that the e-HRM need to consider for the gig workers.

#### INTRODUCTION

The accelerating dynamic growth of e-business is causing organizations to face more challenges than they ever had to. Nowadays, the most successful digital leaders realize the power offered by Information Technology (IT) tools for achieving business sought-after ends (Ghazzawi, Al-Khoury & Saman, 2014). Due to the intensive competition between organizations in order to attract and retain the existing professional employees, organizations are becoming more efficient by using "Electronic Human Resource Management" (E-HRM).

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The e-HRM enables organizations to enhance their HR activities' functionality, thus, bringing benefits of efficiency, cost savings, flexible services, and employee's participation." The importance of e-HRM, is thus being recognized by organizations, specifically with regards to selecting outstanding employees, retaining them, enhancing competition and maintaining good company reputation (Bondarouk, Parry & Furtmueller 2017; Strohmeier, 2007; Ruel, Bondarouk & Looise, 2004).

Organizations strive to cope with new changes and adopt e-HRM in order to survive in the global economy. The main concern of this chapter is where contracting sector stands with respect to the implementation of IT applications, especially in the field of HR, and it is also concerned with determining and evaluating the impact of e-HRM in the context. Hence, the contracting sector is implementing e-HRM in order to ensure a participative HR department administratively and strategically, to achieve its goals precisely and sufficiently in order to tap into the global talent pools as a competitive tool (Alajmi & Alenezi, 2016). Consequently, the main aim of this chapter is to show the digital transformation of HRM solutions as strategic tool for the GIG workers contracting

Through global competition and the desire to increase effective HRM practices in recruiting, selecting, and training talented employees, contracting sector can enhance its performance and create a competitive advantage, specifically, by implementing e-HRM. The chapter's magnitude is acquired from the value of digital transformation of HRM solutions which represents the ultimate investment of IT with HR department at contracting sector, which is considered as a new strategic technological and organizational tool to support the Gig Work Management (GWM). The findings arrived at in this chapter will benefit not only academics, but also HR managers within the context of GWM sector. Furthermore, the chapter could support HR managers; by enabling them to construct HR departments, that is considered to have a strategic significance to any modern business. Additionally, it steers academics in the direction of appreciating the background of e-HRM within the context.

#### BACKGROUND

According to the literature, there are lots of synonyms for e-HRM. For instance, Ruel, et al. (2004) distinguish; e-HR, virtual HRM, HR Intranet, Web-based HR, Human Resource Information Systems (HRIS) and HR portals. There is a debate going on about the differences between e-HRM and HRIS. Ruel, et al. (2004) excludes HRIS from the synonyms for e-HRM; in their view, HRIS is more focused on the HRM department itself, aiming to improve the processes itself and does not focus on the employees and management. This reason is confirmed by other authors (Bondarouk et al, 2017; Bondarouk, Horst & Engbers, 2009; Bos & Heijden, 2004; Ball, 2001). The author decided to choose "e-HRM" instead of other abbreviations as it is more compatible and relevant with the context of chapter.

The term of e-HRM was first used in the late of 1990's when "e-Commerce" was sweeping the business world" (Lakshmi, 2014). HRM departments using Information and Communication Technology's (ICTs) are becoming an increasingly important phenomenon commonly referred to as e-HRM (Olivas-Lujan & Zapata-Cantu, 2007). E-HRM can be specifically defined as administrative support of the HR function in organizations by using internet technology (Voermans & Veldhoven, 2007). Another definition that used the concept of web-based systems is Panayotopoulou, Vakola, and Galanaki (2007) who defined e-HRM as a web-based solution that takes advantage of the latest web application technology to deliver an online real-time HRM Solution and aims at making information available to managers and employees at anytime and anywhere. E-HRM is defined as a way of implementing HRM strategies in organizations

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