IJCRT.ORG ISSN : 2320-2882

INTERNATIONAL JOURNAL OF CREATIVE RESEARCH THOUGHTS (IJCRT)

An International Open Access, Peer-reviewed, Refereed Journal

A STUDY ON NAVIGATING DIGITAL TRANSFORMATION: EXPLORING EMPLOYEES READINESS, ADOPTION LEVELS AND SATISFACTION IN EMBRACING TECHNOLOGICAL CHANGE IN MANUFACTURING INDUSTRIES

Janani B[1] Dr.Sindhiya Rebecca A[2]
Student[1], Assistant professor[2]
Master of Business Administration[12]
Panimalar Engineering college[12]
Ponnamallee, Chennai.

Abstract: In an era of rapid digital growth, organizations must ensure both adoption and integration of new technologies. This study examines Organization's digital transformation, focusing on employee readiness and HRMS adoption. A survey of 175 employees used tests like Mann-Whitney U, Kruskal-Wallis, and Chi-square to analyze perceptions. Results showed experience significantly impacts satisfaction, while gender and age do not. The shift to digital HR systems improved efficiency and engagement. Though challenges existed, most employees felt confident in the transition. The study stresses training, communication, and user-focused design for sustained success.

Index Terms **- Adoption, Technology, Transformation, HRMS**

INTRODUCTION

Digital transformation has become a critical force reshaping industries, workplaces, and organizational processes worldwide. In today's digital era, organizations are increasingly relying on Human Resource Management Systems (HRMS) to streamline HR operations, enhance workforce management, and improve overall organizational efficiency. HRMS refers to an integrated software solution designed to automate and simplify various HR functions such as payroll processing, recruitment, employee records management, performance evaluation, attendance tracking, and compliance monitoring.

ADVANTAGES OF HRMS:

Automation of HR Processes – Streamlines repetitive tasks and reduces manual errors.
Increased Efficiency – Speeds up HR operations, improving overall productivity.
Improved Data Accuracy and Security – Ensures reliable information handling with secure storage.
Enhanced Compliance and Regulatory Management – Helps meet legal standards through accurate tracking and reporting.

DISADVANTAGE OF HRMS:

High Implementation and Maintenance Costs – Requires significant investment in technology and support.

Complex Implementation Process – Involves time-consuming system setup and integration.

Employee Resistance to Change – Some staff may struggle to adapt to new digital tools.

Data Security and Privacy Risks – Digital systems may be vulnerable to cyber threats if not well-protected.

OBJECTIVES OF THE STUDY

- To assess the current level of employee awareness and the preparedness for Digital transformation.
- To analyse the factors influencing employee adoption of new HRMS.
- To measure employee satisfaction with the support, training and resources provided during the transition to digital systems.
- To analyse the benefits of digitalization for employees by comparing it with the traditional method.

SCOPE OF THE STUDY

This study focuses on evaluating employee readiness, adoption levels, and satisfaction with digital transformation at the organization. It examines how employees perceive and adapt to new technologies, considering factors like communication, training, and leadership support. The research explores preparedness, identifies barriers to adoption, and analyzes feedback to understand human factors affecting digital change. Insights from the study aim to guide strategic interventions that improve engagement and ensure a smooth transformation.

LITERATURE REVIEW

Jie Zhang & Zhisheng Chen (2024) In this study, Jie Zhang and Zhisheng Chen stated that five key drivers of HR digital transformation are internal customer digital needs, industry innovation, competitor challenges, digital governance, and digital-era requirements. It highlights the transformation's essence, including digital workplaces, HR processes, and employee services, emphasizing the use of technologies in recruitment, training, and assessment. While digitalization benefits business growth, the study cautions about challenges like transitioning between old and new HR systems and potential negative impacts of new technologies on HR practices.

M Nishad Nawaz & Anjali Mary Gomes (2020) In this study, M Nishad Nawaz & Anjali Mary Gomes stated that employee satisfaction with Human Resource Information Systems (HRIS) in selected software companies in Bangalore. The findings indicate that HRIS improves HR processes, enhances decision-making, facilitates information flow, and leads to time and cost savings. Employees across different designations reported high satisfaction with HRIS, with HR Managers and Executives showing the highest engagement. Statistical analysis confirmed a significant relationship between HRIS usage and employee satisfaction, rejecting the null hypothesis. The study suggests regular updates, training, and incentivizing HRIS expertise to maximize benefits.

RESEARCH METHODOLOGY

This study follows a **Descriptive Research Design** using **Simple Random Sampling**. A sample of **175** employees was selected from a total population of 320, based on the Krejcie and Morgan table.

Data Sources:

Primary Data: Collected via a structured Google Form.

Secondary Data: Sourced from journals, articles, and online resources.

Analysis Tools:
Normality: Kolmogorov-Smirnov test indicated non-normal distribution ($P < 0.05$).

Statistical Tests: Mann-Whitney U, Kruskal-Wallis H, Chi-square and McNemar's Test

Software: Google Sheets for basic analysis; SPSS 16.0 for statistical tests.
Study Period: February–March 2025; Total duration: 4 months.

DATA ANALYSIS AND INTERPRETATION

Demographics data:

Categories	Sub categories	No. of respondents	Percentage (%)
Age	Less than 25	25	14.9
	26-35	100	57.1
	36-45	42	24.0
	Above 46	7	4.0
Gender	Male	95	54.3
	Female	80	45.7
Educational Qualification	Below 10^{th}	10	5.70
	10^{th}	13	7.40
	12^{th}	19	10.90
	UG / ITI / Diploma	112	64.0
	PG	21	12.0
Experience	0-3 Years	33	18.90
	4-6 years	71	40.60
	7-9 years	55	31.40
	10-12 years	10	5.70
	More than 12 years	6	3.40
Designation	Manager	33	18.9
	Executive	75	42.9
	Workmen	67	38.3
Total	**All categories**	**175**	**100**

Table 1: Demographic data of the respondents

FINDINGS

The majority of respondents 57.1% are aged 26–35, followed closely by 24.0% aged 36–45, 14.9% aged less than 25 and 4.0% aged 45 and above. Most respondents are male 54.3%, while 45.7% are female. In terms of educational qualification, (64%) hold a UG / ITI / Diploma qualification. 12% possess a Postgraduate (PG) degree. 10.90% have completed12th, 7.40% have completed 10th, and 45.70% have completed below 10th. Regarding work experience, 40.60% have 4–6 years of experience, 31.40% have 7-9 years of experience, 18.90% have 0-3 years, 5.70% have 10–12 years, and 3.40% have more than 12 years. 18.9% of respondents are managers, 42.9% of the respondents are executive and 38.3% are workmen.

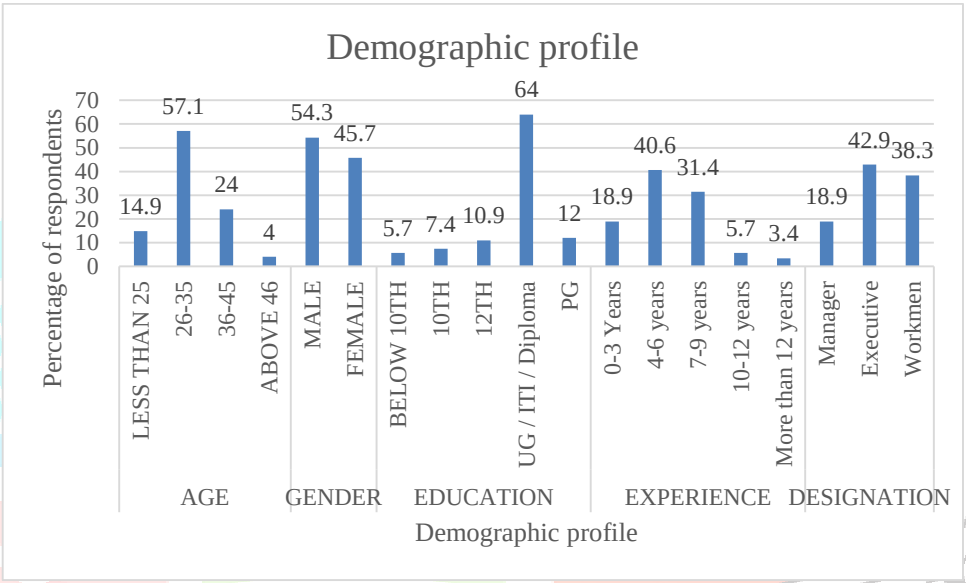

Figure 1: Demographic data of the respondents

Inference:

It is inferred that the majority of the respondents are male. It is inferred that the majority of the respondents are employees belonging to the age group of 26-35. It is inferred that the majority of the respondents are employees possessing the educational qualification of a UG / ITI / Diploma. It is inferred that the majority of the respondents are employees with 4-6 Years Experience. It is inferred that majority of the respondents are Executives.

MANN-WHITNEY U-TEST

Null hypothesis H_0: There is no significance difference between the mean rank of male & female with respect to the variables like employee awareness assessment, HRMS adoption factors, employee satisfaction measurement and comparative analysis of methods.

Alternative hypothesis H_1: There is a significance difference between the mean rank of male & female with respect to the variables like employee awareness assessment, HRMS adoption factors, employee satisfaction measurement and comparative analysis of methods.

Test Statistics[a]				
	Employee awareness assessment	HRMS adoption factors	Employee satisfaction measurement	Comparative analysis of methods
Mann-Whitney U	3287.000	3534.000	3400.500	3609.000

Wilcoxon W	6527.000	6774.000	6640.500	8169.000
Z	-1.557	-.815	-1.219	-1.085
Asymp. Sig. (2-tailed)	.119	.415	.223	.278
a. Grouping Variable: GENDER				

Table 2: Mann-Whitney U test

Inference:

The p value > 0.05, hence the null hypothesis is accepted. There is no significant difference between mean ranks of men and women with respect to employee awareness assessment, HRMS adoption factors, employee satisfaction measurement and comparative analysis of methods.

KRUSKAL-WALLIS H TEST

Null hypothesis H_0: There is no significant difference between mean ranks of categories of Age group with respect to the variables like employee awareness assessment, HRMS adoption factors, employee satisfaction measurement and comparative analysis of methods.

Alternative hypothesis H_1: There is significant difference between mean ranks of categories of Age group with respect to the variables like employee awareness assessment, HRMS adoption factors, employee satisfaction measurement and comparative analysis of methods.

Test Statistics[a,b]				
	Employee awareness assessment	HRMS adoption factors	Employee satisfaction measurement	Comparative analysis of methods
Kruskal-Wallis H	7.361	5.662	3.834	5.723
df	3	3	3	3
Asymp. Sig.	.061	.129	.280	.126
a. Kruskal Wallis Test				
b. Grouping Variable: AGE				

Table 3: Kruskal-Wallis H test

Inference:

From the above test it is inferred that the Kruskal Wallis H test is conducted on the sample data, and it is found that the significance value (P value) for the employee awareness assessment, HRMS adoption factors, employee satisfaction measurement and comparative analysis of methods is more than 0.05 i.e., P>0.05. Therefore, the null hypothesis (H0) is accepted. There is no significant difference between mean ranks of categories of Age group with respect to the variables like employee awareness assessment, HRMS adoption factors, employee satisfaction measurement and comparative analysis of methods.

MCNEMAR'S TEST

Null hypothesis H_0: There is no significant difference between the traditional and new methods in terms of ease of access, payroll tracking, daily attendance maintenance, communication effectiveness, control over progress, time saving, pay slip access, employee engagement and employee records management.

Alternative hypothesis H_1: There is a significant difference between the traditional and new methods in terms of ease of access, payroll tracking, daily attendance maintenance, communication effectiveness, control over progress, time saving, pay slip access, employee engagement and employee records management.

Test Statistics[a]

	EASY TO ACCESS	PAYROLL TRACKING	DAILY ATTENDANCE MAINTENANCE	COMMUNICATION EFFECTIVNESS	CONTROL OVER WORK PROGRESS
N	175	175	175	175	175
Chi-Square[b]	142.651	142.651	131.040	149.966	149.966
Asymp. Sig.	<.001	<.001	<.001	<.001	<.001

Test Statistics[a]

	TIME SAVING	PAYSLIP ACCESS	EMPLOYEE ENGAGEMENT	EMPLOYEE RECORDS MANAGEMENT
N	175	175	175	175
Chi-Square[b]	139.063	139.063	142.651	142.651
Asymp. Sig.	<.001	<.001	<.001	<.001

a. McNemar Test

b. Continuity Corrected

Table 4: Mcnemar's test

Inference:
Since all p-values are less than 0.05, we reject the null hypothesis (H0) and accept the alternative hypothesis (H1). This confirms that the shift from traditional to new methods has had a statistically significant positive impact in all tested areas.

SUMMARY OF FINDINGS

1. It is inferred that the majority of the respondents are male. It is inferred that the majority of the respondents are employees belonging to the age group of 26-35. It is inferred that the majority of the respondents are employees possessing the educational qualification of a UG / ITI / Diploma. It is inferred that the majority of the respondents are employees with 4-6 Years Experience. It is inferred that majority of the respondents are Executives.
2. Mann-Whitney U-test is conducted on the sample data, The p value > 0.05, hence the null hypothesis is accepted. There is no significant difference between mean ranks of men and women with respect to employee awareness assessment, HRMS adoption factors, employee satisfaction measurement and comparative analysis of methods.

3. Kruskal Wallis H test is conducted on the sample data, and it is found that the significance value (P value) for the employee awareness assessment, HRMS adoption factors, employee satisfaction measurement and comparative analysis of methods is more than 0.05 i.e., P>0.05. Therefore, the null hypothesis (H0) is accepted. There is no significant difference between mean ranks of categories of Age group with respect to the variables like employee awareness assessment, HRMS adoption factors, employee satisfaction measurement and comparative analysis of methods.
4. Mcnemar's is conducted on the sample data, since all p-values are less than 0.05, we reject the null hypothesis (H0) and accept the alternative hypothesis (H1). This confirms that the shift from traditional to new methods has had a statistically significant positive impact in all tested areas.

SUGGESTIONS

Conduct regular digital literacy workshops to further enhance employee confidence in using HRMS. Introduce a structured feedback system to continuously improve the digital tools based on user experience. Offer personalized training programs tailored to different experience levels. Strengthen data security awareness to reduce digital risks among employees. Management should continue reinforcing a culture of change through effective communication and leadership support.

CONCLUSION

This study concludes that employee experience significantly influences satisfaction with digital transformation, while age and gender do not. The adoption of HRMS systems has brought measurable improvements in efficiency, engagement, and record management. Despite initial resistance, employees adapted well to digital methods when provided with adequate support. Statistical analysis confirmed the effectiveness of digital tools over traditional processes. Continued investment in training, feedback, and user-friendly design is essential for long-term success.

REFERENCES:

1. Bannikov, S. A., & Abzeldinova, K. T. (2021, February). Digital transformation of HR management system. In International Scientific and Practical Conference "Russia 2020-a new reality: economy and society"(ISPCR 2020) (pp. 54-58). Atlantis Press.
2. Lufa, L., Ruanggoon, J., & Tepthong, S. (2024). Digitalization of Human Resource Management: A Case Study of RM Company. Science, Technology, and Social Sciences Procedia, 2024(5), CiM07-CiM07.
3. Maria, M. (2020). Digitalization of HRM: A study of success factors and consequences in the last decade. August, 93.
4. Mitrofanova, E. A., Konovalova, V. G., & Mitrofanova, A. E. (2019). Opportunities, problems and limitations of digital transformation of HR management. European Proceedings of Social and Behavioural Sciences.
5. Nawaz, N., & Gomes, A. M. (2020). To assess the level of employee satisfaction on HRIS usage in select software companies in Bangalore Karnataka, India.
6. Salameh Al-Amro, Mohammad Qwaider (2019). The Impact of HRMS on Organizational Agility An Empirical Study of IT Sector in Jordan.
7. Sinniah, S., Kumar, R., Mohamed, M. H., SPR, C. R., Supian, C., Nor, M., ... & Perumal, I. (2019). User Satisfaction Of Human Resource Management System In Rural Area. International Journal of Engineering and Advanced Technology, 8(5c), 73- 79.
8. Zhang, J., & Chen, Z. (2024). Exploring human resource management digital transformation in the digital age. Journal of the Knowledge Economy, 15(1), 1482- 1498.