## MODERN HRM PRACTICES: A SELECT LITERATURE REVIEW

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#### **Abstract**

The success of every firm is largely dependent on its Human Resource Management (HRM) practices. The goal of these techniques is to manage an organization's most important resource—its people—through a broad range of tactics and activities. Organizations may improve employee engagement, foster a healthy work environment, and accomplish their strategic goals by using best HRM practices. A strong HRM strategy is built on processes for recruiting and selection that work. To fill critical roles inside the company, HR experts must find and hire the best candidates. Following hiring, a well-organized onboarding procedure is crucial. It guarantees that staff members are given the resources and tools they need to succeed in their positions, that they comprehend the organization's culture, values, and goals, and that they integrate into the workforce with ease. This paper looks at select literature discussing modern HRM practices.

Keywords: Human Resource Management; Modern Practices; Digitization; Literature Review

### Introduction

Rather than just HR, the term "modern HR" gained popularity starting in the 1990s. This is done in order to highlight the goal of matching the interests of the organization as a whole with HR policies and procedures. Some observers, however, contend that this has led to an imbalance in the variety of responsibilities that HR is expected to fulfill, placing more of an emphasis on "being strategic" and a "business partner" than on "being a people partner" who actively engages with and listens to managers' and workers' needs and concerns in general. Demonstrating how the implementation of sound HR practices enhances organizational performance is a constant source of difficulty for HR. The goal has been to demonstrate that HR is not an expense but it adds value. This paper looks at some select literature on modern HRM practices to gain insights of the concept.

# Literature Review

1. Jankelova and Joinakova (2023) investigate the relationship between the use of modern procedures in human resource management and the level of digitization of the company. To determine the level of digitization, the authors included innovative employee-oriented technologies like us as customers that enable the digital transformation of business practices. The focus of the study is both parameters, the currently realized and desirable level of digitization and the use of modern HRM procedures. Subsequently, the correlation between the level of digitization and the implementation of modern procedures in HRM is also examined. The data were collected through a questionnaire survey among business managers in Slovakia (132 respondents) was

- used for data collection. Principal component analysis (PCA) and analysis of variance (ANOVA) were used to test the theoretical research model. The findings show that the implementation of modern HRM practices is not directly related to innovative technologies. The relationship between the level of digitization of the company and the use of modern human resource management procedures is not significant. It follows that modern human resource management procedures can be applied in companies regardless of the level of digitization. One of the findings of this study suggests that modern HRM practices can be implemented even by companies that are not industry leaders digital transformation. The results of the study also showed two approaches in the application of modern human resource management practices. One of them is the implementation of individually oriented procedures supporting development, feedback individual autonomy. The second approach includes collective-oriented procedures supporting employee loyalty and teamwork tools.
- 2. Sabil et al. (2023) aim to identify strategies for improving human resource management using artificial intelligence (AI) in modern economic development. The study will review the existing literature and synthesize the results to identify best practices and key strategies for implementing artificial intelligence in human resource management. The study will focus on the role of artificial intelligence in improving human resource management and explore how artificial intelligence can be used to improve recruitment, training, performance management and employee engagement. Reviewing the

- literature, the search approach will include keywords and boolean operators to guarantee that relevant research is found. The study questions and objectives will define the inclusion and exclusion criteria. The study will also focus on the barriers to implementing AI in HRM and make recommendations to overcome them. The findings of this study will be useful for organizations that want to improve their human resource management practices with the help of artificial intelligence, and for researchers interested in the intersection of artificial intelligence and human resource management in modern economic development. The results of the study are useful for policy makers in identifying strategies to improve human resource management using artificial intelligence (AI) in modern economic development. The research value of this text is its suggestions for conducting further research on how artificial intelligence affects human resource management processes and employee engagement, for creating clear rules and standards for the ethical use of artificial intelligence in human resource management, for teaching HR professionals how to use management tools human resources with artificial intelligence and strategies effectively promote collaboration between academic researchers, business government officials and other stakeholders and to oversee the effects of artificial intelligence.
- 3. Igweh et al. (2020) posit that modern innovation practices have changed the ways organizations do business; how organizations faced competition from all fronts. The study examines modern innovative human resource management practices and organizational effectiveness (OE) in the healthcare sector in Nigeria. The study identified five objectives and five hypotheses were formulated. A sample size of 350 employees consisted of employees of eleven pharmaceutical companies in Nigeria. In order to achieve the objectives of the study, a structured questionnaire was created and given to the respondents as part of the survey. Descriptive statistics of the simple number of frequencies, percentage, mean and standard deviation were used for the descriptive statistics of the respondents. To test the formulated hypotheses, hypotheses 1-4 were tested using multiple regression, while hypothesis 5 was tested using structural equation modeling (SEM). The findings highlight that all modern innovative HRM

- practices have a strong and significant positive effect on OE, with effective recruitment process (? = 5.33 > p-value = 0.000) and human resource technology (? = 5.48 > p-value = 0.000) are highly influenced by organizational effectiveness. The study concludes that modern innovative practices provide a higher level of organizational effectiveness.
- de Zubielqui et al. (2019) claim that firms are increasingly using social media tools to access knowledge from external actors, especially customers and other users, to facilitate the innovation process and firm performance. However, empirical research examining the impact of external knowledge gained through social media tools is limited; the empirical studies that do exist are mixed, leading to calls for research into the conditions under which knowledge flows through social media from external actors contribute to innovation and firm performance. Using a large-scale survey of firms in Tasmania, Australia, this study examines how external knowledge flows from market actors originating from social media affect innovation and business performance and to what extent modern human resource management (HRM) practices moderate this relationship. We find that while knowledge flows from market-based entities are positively related to innovativeness, the relationship between external knowledge flows through social media and innovativeness depends on the importance a firm places on modern HRM practices: there is a significant positive relationship between knowledge acquired through social networks, media and innovation, when companies attach great importance to modern human resource management practices. In contrast, there is no significant relationship in firms in which modern HRM practices are of little importance. The study also shows that social media serves as a mediator for the effect external knowledge flows on firm place when firms innovativeness high importance on modern HRM practices. Furthermore, while the results show that innovativeness and firm performance are positively related, innovativeness does not translate into improved firm performance in firms that attach little importance to modern HRM practices. Taken together, these findings underscore the importance of modern human resource management practices that allow knowledge flows through social media to influence innovativeness and to translate innovativeness into productivity gains.

- 5. O'Donovan (2019) provides an overview of the human resource management (HRM) function. In particular, the historical developments that have combined to shape modern HRM functions are explored, and attention is given to a brief overview of current HRM activities that are common in many organizations. Interwoven throughout the chapter is the suggestion that human resource management activities need to be viewed holistically, both in light of the fact that they are part of an overall system that affects each other, and also in light of other organizational activities. Another recurring theme concerns the view of people as one of determinants achieving main of organizational goals. The chapter concludes by reinforcing the relationship between human resource management and organizational success.
- 6. Rasool et al. (2019) examine the impact of modern human resource management (HRM) practices on organizational innovation (OI) in China's banking sector. A questionnaire survey was used in this study. Correlation and regression analysis is used to test the hypotheses on a sample of 140. The results show that modern HRM practices have a positive relationship with OI. The most important finding of all modern HRM practices is that performance management has a strong and positive effect on OI. However, our study shows that a higher level of performance management provides a higher level of OI in China's banking sector.
- 7. Mellam et al. (2015) observe that employee performance is the result of the influence of various factors, including human resources management practices (HRM). Globalization and information technology have resulted in the emergence of and modern HRM practices that differ in approach from earlier HRM practices that are referred to as traditional Human resource management practices. Modern HRM practices are expected to yield higher employee performance scores compared to traditional HRM practices. A review of the existing literature on the topic of the study shows that there are no studies dealing with the effects of traditional and modern HRM practices on employee performance. Therefore, this study is expected to contribute to filling this gap. The aim of this study is to determine the impact of modern human resource management practices on employees performance compared to traditional HRM practices. The data used for this study was collected from primary sources using a questionnaire. This paper analyzes the

- impact of traditional HRM and modern HRM practices on employee performance in business organizations in Papua New Guinea using statistical tools such as descriptive data analysis, correlation and regression analysis. SOEs mostly followed traditional HRM practices and PEs followed modern HRM practices mainly due to their organizational structures and their origin histories. The results of the study indicate that many of the traditional HRM practices led to low employee performance in SOEs, while modern HRM practices led to high employee performance in PEs. Therefore, it is suggested that SOEs can take advantage of high employee performance by restructuring their organizations to enable them to follow modern HRM practices.
- Garg (2015) state that the corporate world is witnessing significant changes as cultural, gender and linguistic diversity has increased manifold in recent times. All parts of the organization, i.e. organizational structure, management method, HR system, accounting and auditing procedures, undergo changes over time. The HR system has transformed from personnel management to human resource management (HRM) and now to human resource management. This paper seeks to explore employee readiness for a high performance work system (HPWS). Employee readiness is in the "Ready" category on a fivepoint rating scale. The paper also examines variations in readiness based on individual and organizational characteristics. Age, experience, and education are significant individual variables influencing employee readiness. In the same way, the origin status of the sector and companies are mentioned as important organizational variables that influence the readiness of employees. Furthermore, this paper tends to discuss the interaction effect between individual and organizational variables to provide deep insight into employee readiness.
- 9. Zamcu (2014) state that in the context of the current economy, identifying and developing talent is a necessity that is implemented into the company's strategy and can provide a competitive advantage. Talent management, which is common to multinational companies, can also be an advantage for small and medium-sized enterprises. The purpose of talent management is to create an adaptable and flexible company that will motivate its own human resources, all in order to develop the overall business. Based on the definition of talent management, which includes the idea

- that attracting, developing and retaining highly qualified employees is the very essence of talent management, we believe that it is applied by Romanian SMEs, but not yet specified in their strategies. This document seeks to demonstrate the importance of continuous training to attract, develop and retain highly skilled employees as a good start in implementing talent management.
- 10. James et al. (2002) claim that there was extensive discussion about the nature of HR strategies and policies that employers have implemented over the past two decades and the implications they have for employer-employee relations. This article seeks to contribute to this debate by presenting a study of the management of long-term absence in Britain. The study's findings suggest that few employers have comprehensive policies and procedures in place to deal with such absenteeism and that their approach in this area does not appear to be strongly based on a value framework that places a high priority on protecting workers' employment. As a result, the findings cast doubt on how recent HRM strategies can be said to embody a more humanistic orientation to the treatment of workers.

## Conclusion

The literature reviewed has provided some useful insights about the modern HRM practices. In summary, modern HRM procedures are essential to the success of every firm. They cover every stage of the employee lifecycle, including hiring, onboarding, training, engagement, and welfare. Organizations can cultivate a work environment that promotes employee satisfaction, productivity, and alignment with strategic goals by giving priority to these practices. They also strengthen the organization's competitive advantage by drawing in and keeping elite personnel. In addition to improving employee wellbeing, effective HRM procedures help organizations achieve excellence and long-term success.

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