"EMERGING TRENDS IN DIGITAL TRANSFORMATION AND THEIR IMPACT ON THE WORKPLACE: A REVIEW OF THE LITERATURE"

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Abstract: “Digital transformation” is a progressive mode that rapidly transforms traditional business models, practices, and operations via digital technologies. In the digital age whole world is deeply affected by DT and it has a significant impact on employees and their well-being which enforce us to do this study. This study aims to explore emerging trends in DT and examine the impact of DT on the workplace and workforce. The conceptual framework presented in the study throws light on understanding the key drivers and their impact associated with DT. This study has used a qualitative approach and the research design is exploratory where we have studied existing literature. The methodology involves analyzing the theoretical and empirical research papers, journal articles, and conference proceedings through inductive reasoning. The review of the literature examines the emerging trends and their impact on the workplace and workforce. The study is significant as it aims to inform the future research and practices which rapidly occur in the evolving field. Results suggest that AI integration in HR analytics and cybersecurity concerns are important factors while creating new business models and investing in human capital and training which are practical solutions to challenges posed by digitalization. Business strategy has a significant role in mitigating the impact of DT on organizations. The study's practical implications focus on the high urgency from the leaders to change their behavior in order to create mental stability and eradicate the threats to the employee’s emotional and mental health. Effective digital transformation among human capital should consider technology adoption with suitable skills, resilience in the working atmosphere and adaptability, team communication, and collaboration. The theoretical implications of the study highlight the need for planning for DT at all levels. AI in HR analytics improves workplace well-being and social protection.

Index Terms - Digital transformation, Workplace impact, Human capital, Business strategy.

Introduction and Rationale of the study
Kohont, (2018) stated that effective utilization of all the digital technologies forming a new dimension in the economy and society is called digitalization. Kraus (2022) define digitalization as transforming traditional business models, practices, and operations through digital technologies. G.Westermann (2020) argues that DT requires two key capabilities: digital capability: which emphasizes innovative and latest technologies to improve the key elements which occur in business field, and the capability to improve leadership: which emphasizes the importance of visionary leadership in driving organizational change in an articulated and profitable manner. Despite the growing interest in DT, there are still many challenges and risks associated with the process. Romero (2021) highlights the common perception that DT may lead to job loss but argues that it is an opportunity to transform human resources. Tekic (2019) explored the relationship between DT and organizational adaptability and suggested four generic DT strategies: increasing the motivation and target of transformation, various leadership style, giving prominence to creativity, and enhancing the entrepreneurial spirit among employees. Andriole (2017) highlighted the risks associated with DT, which includes a paradigm shift occurred from pre-digital to digital native users and that is perilous, painful, time-consuming, and quite expensive. This review of literature paper explores the emerging trends in DT and its impact on the workplace, conceptualizing them through synthesizing the existing literature. The significance of this review literature paper is to give a wider and critical overview of the current research on DT and its impact on the workplace and to inform future research and practice in this rapidly evolving field. Kraus (2022) highlights the broad impact of digital transformation, including changes in society, technology, and business. Hrstek (2019) focuses on the role of emerging trends in shaping new business models to meet evolving customer needs. Setia (2013) notes the importance of information quality in capability-building and customer response in the digital design of customer service units. This study will reflect the effect of digital transformation on society, technology, and business. Through a comprehensive literature review, the study aimed to explore emerging trends in digital transformation in the workplace and their impact on the work culture and social well-being.
Objective of the study

1. To study the emerging trends in Digital transformation areas.
2. To study the impact of emerging trends of DT at the workplace on the workforce.

Research Methodology

The study on Digital Transformation (DT) and its impact on the workplace is qualitative and exploratory and, is based on a review of the current literature. The methodology involves analyzing theoretical and empirical research papers, journal articles, and conference proceedings through inductive reasoning. The method of data collection is secondary. The study highlights emerging trends in DT and its impact on the workplace and concludes by presenting a conceptual framework to investigate the relationships among variables. Baker (2000)

Conceptual framework

Verina and Titko (2019) and Udovita (2020) provide insights into various digital transformation concepts and its various dimensions, focusing on developing a clear understanding of the topic. The studies offer a foundation for further research in this area and highlight the importance of digital transformation in the modern era. Three critical areas of Digital Transformation (DT) are displayed below. A block diagram represents the input, output, and central aspects of Digital Transformation (DT). The model's central block represents the Digital Transformation (DT) of people, technology, and management. The left-hand block represented the input (drivers), and the right-hand block displayed the results of a successful DT. We can understand our study's dependent and independent variables from the given framework. The created model enables a better comprehension of the primary components and “surrounding” characteristics of digital transformation, which can therefore assist in the subsequent stages of our research, such as the creation of a questionnaire to collect the managers’ and employees’ levels of knowledge regarding Digital Transformation (DT) and to critically analyze the importance of the DT processes in various industries.

Review of literature

It is observed that in the present years, the integration of AI has various impact on People Analytics widely known as human analytics, analytics on various talents, and finally human resource analytics, has become incredibly popular. Moore (2019) defines People Analytics as using large data and apt digital tools which are used to report various aspects of performance of employees by measuring and understanding and also used for workforce planning, managing talents, and the various aspects management in operational level. Bregenzer (2021) conducted a study exploring the effects of digital work on employee emotional, mental and physical fitness and it is vital for the employers to change their role of leadership in mitigating these effects. The study found that when employees are highly mobile and distant from their leaders, the leaders' support becomes more crucial. The study identified the various negative features of digitalization that contribute to higher anxiety levels among employees, including virtual teamwork and mobile work. The study highlights the importance of changing leadership behavior to eliminate the bad health which often occur in employees due to the new technology. The International Labor Organization review report (2022) states that the COVID-19 pandemic and the increasing digitalization trend have significantly impacted the workplace, both in the public and private sectors. The report identifies the main challenges as the lack of social protection for formal employment relations and the need for employees to acquire new skills. Okkonen (2019) conducted a study that identified various challenges employees face due to digitalization, including overloaded information, the habit of procrastination, enormous stress, well-being, technological shortcomings, and managing the time effectively and efficiently. Stanković (2022) conducted a study in the insurance sector and found that insufficient investment in computer hardware and software, poor computer skills among employees, and a lack of proper regulation are significant challenges in the digitalization process. Martin (2022) conducted an empirical study that found that the entrepreneur's human skills, the business's size, and the business's location all impact the DT of the restaurant industry in the SME sector in Spain. The study found that education, motivation, and digital entrepreneurial leadership positively influence digital
The study highlights the need for pre-determined guidelines and increased digital capabilities to implement digital transformation successfully. The study also found the significant role of Artificial Intelligence in the field of innovation by creating business models and accelerating the development of societies based on increased sustainability.

Nageeb (2022) The focus for the research was mainly to evaluate the impact of digital transformation on the effectiveness developing talents in Human Resource Management (HRM) in Egypt. The study found that employees need training to adapt to digital transformation and that proper planning by top management is crucial for achieving the digital transformation. The study also reinforced the need for HR staff to be competent and to receive training and skill development to adapt the developments in the field of technology and innovation. Riso (2021) in the research study focusing on the effect of digitalization in the workplace and how employees adapt to it. The study found that the most impacted area of work is based on task definition and content, with the Internet of Things (IoT) placing more stress on various tasks such as managerial and analytical tasks, the printing 3D and thus by diminishing all the tasks which require more physical ability. Also, some tasks which elevates and simplifies the prevailing tasks in the form of Virtual and augmented reality (VR/AR). The study highlights the importance of upgrading and upskilling and the need for companies to receive public support to address the skills gap.

Guarda et al. (2021) conducted a study to examine the latest digital trends and how they impact business intelligence activities. The study found that the Internet of Things (IoT), 5G mobile connectivity, WiFi 6 technologies, the progression of the user's technology experience, and machine learning are crucial factors. Trenerry (2021) proposed a framework for future research and explores the prominence in multifarious levels in planning and implementing digital transformation. The study identified five factors at different levels such as individual, at the group level focuses on three factors, in the organizational level necessary for effectively transforming digitalization. The individual factors include adopting latest technologies, the different perspective towards various technological change, also requiring various employee skills and training, resilience in working place, the need to acquire adaptability, and finally to secure a healthy working life. The group-level factors include effective communication via teams and coordination and collaboration, maintaining the key relationships in the working place and recognizing the teams, building and focusing on team adaptability which ultimately leads to resilience. The factors proposed for impacting the effect of digital transformation at the organizational level by forming useful leadership styles, managing the human resources, and improving the progressive climatic conditions for the developments for an organization. The study suggests that managers and organizations should support their employees in adapting to digitalization at the workplace and achieving their goals.

Cijan, (2019) in his study explores and examines the effect of digitalization on job satisfaction, and the importance to achieve a proper equilibrium between work and life, and worker autonomy. The study collected data from 98 professionals through an online survey and used one-sample t-tests to validate the hypotheses. Findings show that digitalization increases work happiness and encourages greater employee autonomy but blurs in harmonizing a unity between work and life. The study highlights the vital role of managers who have a solid and clear understanding of the opportunities and threats and challenges of digitalization in the workplace to minimize risks and maximize benefits.

Rojas (2021) in their study in detail explores the effect of Digital Transformation (DT) on creating various levels of employability and corporate development. The research argues that DT should not be viewed as the sole cause of extensive job losses. Rather, it should be seen as a process that can enable organizations to position themselves, and effectively respond, and the need towards adapting the prompt and immense technological changes. The study emphasizes the essential role of human teams in ensuring the success of DT. However, there is limited clarity on the required dynamics, roles, education, learning, and leadership development necessary for effective DT teams. To address this gap, the study proposes three critical lines of action to form successful DT teams. Firstly, organizations should create and focus on establishing multi-disciplinary teams consisting of individuals with clear and diverse, roles showing specific capacities. Secondly, continuous learning based on existing organizational gaps should be prioritized. Finally, organizations should focus on retaining talent to develop an effective DT team. The study also identifies gaps in organizational behavior that need to be addressed to ensure successful DT implementation. The study recommends that organizations establish a communicational policy focuses on transversal to integrate DT into the organizational culture. A catalog of essential skills should also be created to allow organizations to effectively deploying a self-training program, enhancing their ability to cope with DT. Finally, there is a high urge for promoting continuous and good education and training via an intelligent way of collaborating and synthesizing the world of business, industry and educational field for achieving better results. The proposed lines of action aim to equip organizations with the important tools to face DT in practice. It is observed that future research will undoubtedly investigate how the organizations will be equipped and benefited to withstand the challenges in practicing the DT and further to create a suitable framework. In conclusion, the study highlights the importance of human teams and continuous learning and retention of talent in successful DT implementation and provides practical guidelines for organizations. Bharadwaj (2013) argued that organizations need to focus on the scope and they also need to measure the importance of digital transformation in various scopes of business strategy and it enhances and creates the business value and finally resulting in successfully achieving digital business strategy. Ilics (2018) noted that digitalization has impacted every aspect of life, including education, social networking, and business, and that the advent of digital transformation has made significant changes to the workplace, requiring employees to have excellent skills and competencies. Zeike (2019) explored the harmful impact of digitization pressure and its overload on health, finding a relationship between increased choice overload and decreased well-being, but not with felt pressure from digitalization.

Findings and discussion
This research predominantly explores the emerging trends and how the digitized world transforms employees in various realms in their workplace. The literature is from journals, articles, conferences, preceding’s, empirical, and conceptual research papers. The nature of the study is qualitative. The study considered the emerging trends in Digital Transformation during the period of the last 10 years. The study found that AI integration in HR analytics and cybersecurity concerns were essential factors in DT, as highlighted by Collins (2017) and Stanković (2022). Riso and Guarda (2021) identified emerging trends in DT, such as creating new business models through the incorporation of the DT, newest digital trends, and transforming older trends by producing upgrades or updates, Social Media, Mobility, Analytics, Internet of Things and Cloud, Sensors, On-demand computing, Mobile computing, Blockchain, 5G mobile connectivity, WiFi 6 technologies, machine learning (ML), 3D printing, virtual and augmented reality (VR/AR).
The past literature review studies people analytics using big data, and digital tools are becoming increasingly popular in AI integration (Collins, 2017). Leaders need to change their behavior to mitigate the negative effects on employee well-being due to risk factors associated with mobile work and virtual teamwork (Bregenzer, 2021). COVID-19 and digitalization have impacted the workspace of both public and private sectors, resulting in challenges to social protection, formal employment relations, and employee skills (International Labor Organization review report, 2022). To address the challenges employees, face due to digitalization, companies and organizations should invest in human capital and training (Martin, 2022; Nageeb, 2022). Digital Transformation can promote sustainable development and innovation in business models (Gomez, 2022). Effective digital transformation among employees should consider technology adoption, acquiring various latest skills and obtaining training suitable to the workplace resilience and adaptability, effective communication in various teams and successful team collaboration, delegation and leadership, human resources, and organizational culture/climate (Trenerry, 2021). Digitalization can increase work happiness, blur the work-life balance, and encourage greater worker autonomy (Cijan, 2019). DT teams with various roles and particular capacities and well framed and precisely established goals and a focus on continuous learning and talent management, are essential for successful digital transformation in organizations (Rojas, 2021). Business strategy is crucial in mitigating the impact of DT on organizations (Bharadwaj, 2013). AI is required to be incorporated in HR analytics in the organization. Entrepreneurial leadership is encouraged from supervisor to mitigate the work life issues. Capacity building needs more refined business strategies with appropriate planning and clear implementation steps. Revising and upskilling of the employees is needed on timely basis to combat the emerging trends in DT.

Conclusion

Digital transformation is a significant trend in the workplace that has impact on organizations and employees. To mitigate its effects, developing an effective business strategy is necessary, which should include investing in human capital and training. DT promotes sustainable development and innovation, making it crucial to consider technology adoption, skills and training, workplace resilience and adaptability, proper and clear communication via teams and collaboration, delegation and leadership, human resources, and organizational culture/climate. DT teams with clear goals and talent management are essential for successful transformation and addressing cybersecurity concerns. Businesses must keep staff employed during and after digital transformation by rethinking job descriptions, reskilling employees, and redeploying them. Social protection, formal employment relations, and employee skills are the main threats which occurs in a world of digital transformation. Due to technological advancements, the term “digitalization” is widely used among scientists and researchers to refer to the transformation process via digitalization (Bregenzer, 2021). According to Andrews (2015), companies require technologically intelligent and knowledgeable workers at all levels to handle complex issues during digital transformation. Both digital knowledge and strategies are crucial for people in the organization to pursue digital transformation successfully. Digital Transformation (DT) demands specific skill sets and an appropriate mindset for current market changes. DT is a process that enhances the experience of products and services, and it requires organizations and employees to rethink old procedures and imagine new ones. In conclusion, digital transformation is critical for organizations and employees to keep pace with technological advancements and adapt to changing market demands.

Future research

Future research discovers the influence and effect of digital transformation on sectors such as healthcare, education, and finance and can provide a wider understanding of the unique challenges and opportunities posed by digital transformation in each field. Another potential area for future research is investigating the role of leadership in facilitating successful digital transformation and managing the associated risks. Another exciting area is the use of DT in the non-profit sector, including its potential to increase efficiency and improve outcomes in fundraising, volunteer management, and program delivery. Finally, there is a need to examine the role of DT in crisis management and response, including its potential to improve disaster preparedness, response, and recovery. These areas represent important and understudied aspects of digital transformation that deserve further attention and wider research prospects.

References:


