

Digital Human Resource Management and Its Impact on Employee Work Ethic and Performance: A Literature Review

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Abstrak

Perkembangan teknologi digital mendorong perubahan dalam pengelolaan sumber daya manusia di organisasi. Manajemen SDM digital tidak hanya berfungsi sebagai sistem administrasi, tetapi juga berperan dalam meningkatkan etos kerja dan kinerja karyawan. Penelitian ini bertujuan untuk mengkaji peran manajemen SDM digital terhadap etos kerja dan kinerja karyawan dengan menggunakan metode kualitatif deskriptif melalui studi kepustakaan. Data diperoleh dari berbagai jurnal ilmiah dan referensi relevan dalam lima tahun terakhir. Hasil kajian menunjukkan bahwa penerapan manajemen SDM digital mampu meningkatkan efisiensi kerja, transparansi sistem, motivasi, serta produktivitas karyawan. Namun, keberhasilan implementasinya sangat bergantung pada kesiapan sumber daya manusia, literasi digital, dan dukungan budaya organisasi yang adaptif terhadap perubahan teknologi.

Kata kunci: *Manajemen SDM Digital, Etos Kerja, Kinerja Karyawan*

Abstract

The development of digital technology has driven changes in human resource management within organizations. Digital human resource management (HRM) functions not only as an administrative system but also as a strategic tool to enhance employee work ethic and performance. This study aims to examine the role of digital HRM in improving work ethic and employee performance using a qualitative descriptive approach through a literature review. Data were collected from relevant scientific journals and academic sources published within the last five years. The findings indicate that digital HRM contributes to improved work efficiency, system transparency, employee motivation, and productivity. However, successful implementation depends on organizational readiness, employees' digital literacy, and an adaptive organizational culture.

Keywords: *Digital Human Resource Management, Work Ethic, Employee Performance*

Introduction

Advances in digital technology have brought about significant changes in human resource management across various organisations. Processes that were previously carried out manually are now shifting towards faster, integrated digital systems. Human Resource Management (HRM) refers to an organisation's efforts to manage its workforce through planning, development and control, with the aim of achieving organisational objectives (Naswya, et.al, 2025). In the digital age, HRM focuses not only on administration but also supports data-driven decision-making. The use of technology in HRM helps organisations improve work efficiency, reduce errors, and enhance the quality of HR services. Consequently, digital HRM has become an essential requirement for modern organisations. (Riesnandar & Listiorini, 2025)

The implementation of digital HRM is becoming increasingly important due to changes in the working environment that demand speed and accuracy. Organisations must be able to adapt to increasingly fierce competition and employees' demands for flexible and transparent working systems (Aravik, et.al, 2025). Digital HRM streamlines recruitment, training, and performance appraisal processes through structured systems. Furthermore, the use of technology can assist management in monitoring employee performance more objectively. However, the success of digital HRM implementation depends heavily on the organisation's readiness and employees' ability to use the technology effectively. (Novianti et al., 2023)

Work ethic is one of the key factors influencing employee performance. Work ethic reflects an individual's attitude, sense of responsibility and dedication to completing their work (Aravik, et.al, 2024, Aravik, et.al, 2023). Digital HRM can play a role in fostering a more disciplined and focused work ethic through clear and measurable work systems. Employees can better understand work targets and receive direct feedback through digital systems. However, if not managed properly, the use of technology can also lead to work-related stress. Therefore, digital HRM must be implemented with due regard for the human aspect to ensure that work ethic is maintained. (Sylvia Sisca Harlena, 2025)

In practice, not all organisations succeed in implementing digital HRM optimally. Challenges such as low technological literacy, entrenched work habits, and a lack of management support are still encountered. These conditions can affect the effectiveness of digital HRM systems in enhancing employee performance and work ethic (Ishak, et.al, 2025). Furthermore, some organisations merely utilise technology as an administrative tool without integrating it into their human resource development strategies. Consequently, the full benefits of digital HRM have not yet been realised. These issues indicate that the implementation of digital HRM requires thorough planning and an approach tailored to the organisation's specific circumstances. (Zhafira & Ahmadi, 2025).

In light of these circumstances, this study was conducted to understand the role of digital HRM in shaping work ethic and employee performance. HRM is understood as the way in which organisations manage and develop their employees to enable them to work to their full potential. The implementation of digital systems is expected to help create a more structured, fair and transparent working environment. By understanding the relationship between digital HRM, work ethic and employee performance, organisations can adopt more appropriate policies in human resource management. This study is expected to provide a clear picture of the benefits of digital HRM and serve as a basis for organisations to consider when facing workplace challenges in the digital age.

Research Methods

This study employs a descriptive qualitative approach using a literature review method to examine the implementation of digital human resource (HR) management and its impact on employees' work ethic and performance. Research

data were obtained from various literature sources, including national and international scientific journals, reference books, and other relevant academic publications published within the last five years. Data collection was carried out through a search of credible online literature, which was then analysed by systematically classifying and synthesising the findings of previous research. The results of the analysis are presented descriptively to provide a comprehensive understanding of the role of digital HRM in supporting HR management and the achievement of organisational objectives.

Result and Discussion

1. The Implementation of Digital Human Resource Management in Organisations

One of the measures organisations can take to adapt to developments in information technology is to implement digital human resource management. Digital HRM plays a role in managing employee data, ranging from administrative tasks to supporting managerial decision-making processes through an integrated information system. With this system in place, employee data can be stored centrally, making it easier to access, update and manage in line with the organisation's needs (Rahmatika, et.al, 2020). Digital HRM also simplifies the process of recording attendance, managing personnel data, and compiling performance reports more quickly and accurately. Furthermore, the use of digital systems can reduce administrative errors that frequently occur in manual systems. This situation demonstrates that the implementation of digital HRM is a crucial step in creating more orderly, efficient, and organised HR management within a company. (Nanda et al., 2020).

Web-based recruitment systems are one of the most popular forms of digital HRM. E-recruitment enables companies to reach a wider pool of candidates more quickly. As applicant data can be processed automatically, the selection process becomes more efficient. This system also reduces recruitment costs and time. In discussions, e-recruitment is considered to improve the quality of recruitment because the process is more objective. However, the performance of this system

still depends on how well-prepared the technology is and how clear the selection criteria are. Therefore, companies must ensure that their digital recruitment systems meet their HR needs. (Hura et al., 2025).

The use of digital platforms for employee training and development is another example of the implementation of digital HRM. Online training enables employees to enhance their skills without being constrained by time or location. This system is highly beneficial for companies in consistently improving their employees' skills. Training needs can be tailored and training materials delivered flexibly. Digital training is considered beneficial for improving work skills, particularly in the areas of technology and management. However, the level of participation and employees' willingness to undertake online training present a challenge. Consequently, organisations must integrate digital training with motivational strategies. (Seipalla et al., 2024).

Implementasi HRM digital mencakup penilaian kinerja digital. Dengan sistem ini, organisasi dapat melakukan evaluasi kinerja secara terbuka dan dapat diukur. Melalui sistem yang tersedia, karyawan dapat mengetahui hasil penilaian secara langsung. Disebutkan dalam diskusi bahwa sistem penilaian kinerja digital membantu meningkatkan akuntabilitas dan keadilan dalam evaluasi kerja serta memudahkan manajemen untuk memantau perkembangan kinerja karyawan secara berkala. Namun, untuk menerapkan sistem ini dengan sukses, diperlukan indikator yang jelas agar hasil evaluasi benar-benar mencerminkan kondisi kerja karyawan. Tanpa indikator yang tepat, sistem tidak akan berfungsi dengan baik. (Herlissha et al., 2024)

The use of digital HRM also impacts communication patterns between management and employees. Digital systems facilitate the dissemination of

information regarding policies, work targets and performance evaluations. Communication becomes faster and is well documented. In this context, digital HRM helps foster transparency in workplace relationships, thereby making employees feel more engaged. However, digital-based communication also has the potential to reduce face-to-face interaction if not balanced with personal communication. Therefore, organisations need to maintain a balance between the use of technology and face-to-face communication to ensure that workplace relationships remain harmonious and productive. (Arya et al., 2023).

The implementation of digital HRM offers numerous benefits to organisations, particularly in terms of improving the efficiency and effectiveness of human resource management. However, the success of implementing this system is heavily influenced by the readiness of the organisation and its employees; factors such as digital literacy, management support and a flexible work culture are key determinants of the success of digital HRM implementation. In this discussion, it is suggested that organisations which implement digital HRM gradually and with accompanying training are likely to achieve better results. Therefore, digital HRM should not be viewed merely as a technological application; it is also a management transformation process that requires all members of the organisation to participate and be prepared.

2. The Impact of Digital HR Management on Employee Work Ethic

Digital HR management plays a vital role in shaping employees' work ethic through rapid access to information and transparent working systems. Digital HR provides an online platform that enables employees to clearly understand their tasks, targets and the organisation's working rules, which in turn fosters discipline and a sense of responsibility in the workplace. Digital recruitment practices and system-based performance evaluations enhance employees' sense of clarity regarding their roles and work expectations. This is important in the context of work ethic because employees tend to demonstrate greater commitment and better performance when they have a clear understanding of their roles and responsibilities. This digital implementation helps organisations build a more

professional and structured work culture, thereby reinforcing positive work values.

The use of digital HRM technology also has a positive impact on employee engagement levels, which is a key factor in fostering a strong work ethic. Through digital systems, two-way communication between employees and management can be more open and responsive, particularly via workplace interaction platforms that enable rapid feedback. This helps employees feel heard and valued in their day-to-day work. Furthermore, easy access to information and clear communication channels create a more inclusive and supportive working environment, thereby encouraging employees to engage more actively. As work engagement increases, employees tend to demonstrate higher motivation, work with a greater sense of responsibility, and are better prepared to adapt to change. Thus, digital HRM functions not only as an administrative tool but also plays a role in strengthening working relationships, which has a direct impact on employees' work ethic. (Shahi et al., 1995).

Digital HRM also helps to motivate employees, which is a key component in fostering a strong work ethic. Digital practices, such as online training and digital performance reviews, boost motivation by providing clear objectives and timely feedback. When employees feel well-trained and assessed objectively, they tend to be more motivated to perform better at work. As they feel valued and encouraged to develop in their workplace, this motivation forms the basis of a strong work ethic. Consequently, digital HRM helps employees build work discipline, prepare themselves to face challenges, and commit to achieving higher standards of work. (Al-kharabsheh et al., 2023).

Although there are many benefits, the impact of digital HRM on workplace morale cannot be achieved automatically without a strong workplace culture. Several studies suggest that digitalisation without a human-centred approach can lead to technology-related stress and workplace resistance. Ultimately, this can hinder the development of positive workplace values. When new systems are implemented without adequate training, employees who are unprepared for digital change may feel anxious or demotivated. Therefore, companies must integrate technology with HR development strategies that focus on communication, well-being, and employee engagement. The digitalisation of HRM can enhance work ethic and improve adaptability to change. (Maretis et al., 2025).

Generally speaking, the implementation of digital human resource management has a significant impact on the development of employees' work ethic across various types of organisations. The use of digital systems can create a more open and structured working environment, encourage employee engagement, and boost motivation through clearer and more measurable training and performance evaluation processes. Nevertheless, the success of strengthening work ethic through HRM digitalisation cannot be separated from employees' readiness to use technology and the support of an organisational culture that is open to change. When technology is implemented in tandem with employee development and effective communication, digital HRM can serve as a strategic tool in building a positive, sustainable work ethic that aligns with the achievement of organisational goals. (Zhafira & Ahmadi, 2025).

3. The Impact of Digital Human Resource Management on Employee Performance

Improving employee performance through a more structured, data-driven work system is a key aspect of digital human resource management. Digital HRM enables organisations to set clear work targets and monitor employees' progress on a regular basis. With a digital system, employees can understand the performance indicators they need to meet, ensuring their work is more focused, which helps to boost productivity and the quality of their output. Furthermore, as

performance data is presented in real time, digital HRM facilitates faster and more accurate management decision-making (Maleha, et.al, 2025).

An organisation's performance appraisal system also influences employee performance. Digital HRM performance appraisal mechanisms are more objective and transparent than manual methods. Digital systems conduct appraisals based on data and measurable indicators, making the assessment more objective. Employees can directly view the evaluation results and identify areas for improvement. This encourages employees to continuously improve their performance. If there is a clear and fair evaluation system, employees are more likely to work better and take greater responsibility for their work outcomes. (Mughtar et al., 2025)

Digital-based development and training enhance employee performance. Digital HRM enables companies to plan and access online training in a flexible and convenient manner. Training tailored to work requirements allows employees to enhance their knowledge and skills in the workplace anytime and anywhere. In the long term, employee performance is directly influenced by this improvement in competence. Therefore, digital HRM not only assists management but also helps to develop employees consistently.

Whilst there are many benefits to implementing digital HRM in terms of employee performance, there are also some challenges. Not all employees possess the same level of digital literacy, meaning some of them face difficulties when using digital systems. If not managed properly, this can affect productivity and performance. Furthermore, employees accustomed to conventional working methods often resist the shift to digital-based systems. Consequently, companies

must provide training and support to their staff to maximise their adaptation to digital HRM systems. (Hizbulloh, 2025)

When supported by organisational readiness and human resources, the implementation of digital human resource management can enhance employee performance. More efficient, transparent, and measurable work processes can be achieved through the use of digital systems. When technology is used in conjunction with skills development and good communication skills, employee performance can improve. Therefore, digital HRM must be understood as part of an organisation's strategy for managing employees sustainably. If implemented correctly, digital HRM can become a vital tool in supporting the achievement of employee performance and the organisation's overall objectives.

4. Challenges and Strategies for Implementing Digital HR Management

In many cases, a range of complex issues arise when organisations implement digital human resources management. Resistance to change from employees and senior management is a major obstacle. Many people are accustomed to traditional manual methods, so they feel apprehensive and uncertain when faced with new digital systems that differ significantly from their previous practices. If there is a strong corporate culture that favours conventional approaches, the process of adopting new technology can take longer, particularly for employees with long-standing work experience. To succeed in digital transformation, a shift in mindset is required. Organisations must develop a clear and participatory internal communication plan to alleviate anxiety and boost engagement across the organisation (Aravik, et.al, 2025).

The digital skills gap amongst employees is another common obstacle encountered when implementing digital HRM. Not all employees are proficient in the technology required to use digital HR systems effectively. This lack of skills is often the cause of low adoption rates for new technology and can lead to frustration in the workplace, potentially even having a negative impact on productivity and team performance. Therefore, companies must develop technology training programmes that meet employees' needs to understand and

use digital systems effectively. Continuous training supports the use of digital tools and boosts employees' confidence in adapting to change. (Zisis & Polydoros, 2025)

Data security and the privacy of employee information are other critical issues that must not be overlooked in the digitalisation of HRM. Digital systems store a significant amount of highly sensitive personal data and performance records. If the system is not well-designed, there is a significant risk of data breaches or misuse. This not only harms employees personally but can also damage the company's reputation and lead to legal consequences. Consequently, companies must ensure that digital HRM platforms have clear privacy policies adhered to by all relevant parties, strict access control systems, and robust data encryption.

The next challenge is the need for adequate technological infrastructure. Not all organisations, particularly in developing countries, have robust digital infrastructure, such as a stable internet connection or up-to-date hardware. When digital HRM systems are implemented without the support of reliable infrastructure, the likelihood of operational failures, service disruptions, or even data loss increases. Therefore, investment in infrastructure is a key requirement in the HRM digitalisation process. Organisations need to establish a realistic and sustainable budget to ensure that all necessary technological components are available and can be continuously upgraded in line with technological advancements.

The success of implementing digital HRM is also influenced by organisational cultural and technical issues, as well as change management. Careful planning, open communication between management and staff, and regular monitoring of the changes are all part of an effective strategy. Because they overlook elements of

change management, organisations often struggle to fully integrate new technologies. This can occur because organisations lack sufficient internal support. Therefore, it is a strategic move to involve all stakeholders from the planning stage of digitalisation. This will help accelerate change and ensure that the transformation proceeds more smoothly. (Syamsul Bahri, Rizki Waludin, Munib, 2025).

To address this issue, organisations must adopt a holistic approach that combines technology, employee skills and a digital work culture. Digital training, data security policies and a dedicated digital HR team can support implementation. Furthermore, companies can boost employee engagement through technology workshops, mentoring, and regular evaluations that assess the performance of existing systems. Digital HRM can drive innovation, efficiency, and the company's long-term competitiveness by combining technological strategies with a human-centred approach.

Conclusion

It can be concluded that the implementation of digital human resource management is a strategic step for organisations in navigating the dynamics of change in the digital age. Digital HRM not only plays a role in improving the efficiency of administration and employee data management, but also supports the delivery of training, development, and performance evaluation in a more structured and transparent manner. The implementation of this technology-based work system is capable of creating a more organised and open working environment, thereby fostering a work ethic among employees that is more disciplined, responsible, and characterised by a higher level of engagement.

Conclusion

Based on the results of the literature review, it can be concluded that an innovative work culture plays a strategic role in enhancing employee performance in the digital age. A work culture that fosters creativity, continuous learning and

technological adaptation is capable of encouraging employees to work more effectively and productively.

The success of digital transformation is determined not only by technological sophistication, but also by the strength of the work culture that develops within an organisation. Therefore, organisations need to continuously build an innovative work culture through leadership that supports innovation, the development of digital competencies, and flexible working systems. Furthermore, digital HRM has been shown to have a positive impact on improving employee performance when implemented correctly and supported by a workforce that is ready for change and an organisational culture that is adaptable to technological developments. Clear work targets, easy access to information, and the provision of rapid feedback via digital systems help employees improve productivity and the quality of their work. However, the successful implementation of digital HRM still requires attention to aspects of change management, improving employees' digital literacy, and data security protection so that the benefits of HR digitalisation can be felt sustainably and in line with the achievement of organisational goals.

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