

## Digital maturity and digital transformation in human resources management: Stability vs development

**Galyna Nazarova**

Doctor of Economics, Professor  
Simon Kuznets Kharkiv National University of Economics  
61166, 9A Nauka Ave., Kharkiv, Ukraine  
<https://orcid.org/0000-0003-4893-5406>

**Viktoriiia Rudenko\***

Postgraduate Student  
Simon Kuznets Kharkiv National University of Economics  
61166, 9A Nauka Ave., Kharkiv, Ukraine  
<https://orcid.org/0000-0001-7920-4679>

**Abstract.** Digital transformation has impacted all areas of life, including human resources management. Studying digital maturity is relevant because it can help organizations adapt to change and improve human resources strategies for successful transformation. This study explored the relationship between digital maturity, transformation, and human resources management and how organizations can use digital technologies to increase maturity and opportunities and cope with obstacles. Complex analysis, synthesis, induction, deduction, and analogy methods were used as methodical tools to analyse literary sources, information, and communication technologies. The importance of digital maturity for human resources management practices and processes and the digital transformation process in management functions was explored. The drivers, challenges, and outcomes associated with digital transformation initiatives were identified, and the impact of digital maturity and transformation on stability was analysed. The study also examined the possible trade-offs between maintaining stability and promoting development through digital technologies. The importance of continuous learning, training, and skill development in human resources management was assessed to achieve and maintain digital maturity. A conceptual framework focused on the relationship between sustainability and development in the context of digital maturity and transformation in human resources management, providing a comprehensive understanding of these dynamics. The research can help manage digital transformation effectively, provide helpful information for academic and practical human resources management applications, and bring a new perspective to the balance between sustainability and development

**Keywords:** balance; organizational change; innovation; strategic personnel management; electronic tools and technologies

Article's History: Received: 11.04.2023; Revised: 31.07.2023; Accepted: 30.08.2023

### ● INTRODUCTION

As technology advances at an unprecedented pace, digital transformation has become ubiquitous, influencing all aspects of life, including human resource management. By exploring digital maturity and transformation in the context of Human Resources (HR), organizations can learn to navigate the rapidly evolving technological and societal landscape while maintaining stability. Research in this field can

uncover innovative strategies and approaches to Human Resource Management (HRM), ensuring the organization's digital maturity and successful digital transformation. Stability in HRM ensures the smooth functioning of core HR processes, such as payroll, benefits administration, and employee record management. At the same time, development focuses on leveraging digital tools and technologies

### Suggested Citation:

Nazarova, G., & Rudenko, V. (2023). Digital maturity and digital transformation in human resources management: Stability vs development. *Development Management*, 21(3), 57-65. doi: 10.57111/devt/3.2023.57.

\*Corresponding author



Copyright © The Author(s). This is an open access article distributed under the terms of the Creative Commons Attribution License 4.0 (<https://creativecommons.org/licenses/by/4.0/>)

to drive innovation, improve efficiency, and enhance the overall HR function's strategic value. This delicate balance between stability and development challenges HR leaders and organizations. On one hand, stability ensures business continuity, employee satisfaction, and compliance with regulatory requirements, as indicated by R. Pannell (2022). On the other hand, development allows organizations to unlock the full potential of digital technologies, streamline HR processes, and improve employee experience.

Digital maturity refers to the level of an organization's digital capabilities and how well it can leverage technology to achieve its goals. On the contrary, as L. Hamberg (2022) noted, digital transformation refers to using technology to fundamentally change how an organization operates and delivers value to its customers. J.M. Montero Guerra *et al.* (2023) stated that in personnel management, digital transformation can help organizations improve talent management by leveraging big data, people analytics, or HR analytic systems. However, there is a debate on whether organizations should prioritize stability or development regarding digital maturity and digital transformation (Hamberg, 2022). According to Yu. Shulzhyk *et al.* (2022), the success of digital transformation requires effective management, a new attitude toward employees, increased innovation and flexibility, greater cooperation, and greater readiness for constant changes on the part of not only managers but also all employees, which requires the possession of new digital competencies. They considered the organization's digital maturity an influential factor in the success of digital transformation.

Developing a clear roadmap for digital transformation activities can significantly benefit management and employees by improving their level of digital maturity. To effectively manage and guide digital transformation, various maturity models have been developed to conceptualize and assess digital maturity in organizations. Despite previous reviews on the subject, such as that conducted by G. Remane *et al.* (2017) and L. Canetta *et al.* (2018), there is still a need to understand the most common maturity dimensions used across existing models. Studies prove that digital maturity determines the ability of an organization or individual to use digital technologies effectively, and digital transformation has the potential to improve HR efficiency and productivity. Nevertheless, the relationship between digital maturity, digital transformation, and organizational human resources management has remained relevant.

The research aimed to investigate the correlation between digital maturity, digital transformation, and human resource management and identify strategies organizations can implement to effectively leverage digital technologies, enhance digital maturity, overcome challenges, and seize opportunities in HRM due to digital transformation. To achieve the goal, various methodological tools were used, such as complex analysis (a thorough study of digital maturity and digital transformation in human resources management by breaking it down into separate components), synthesis (the study of human resources management in its integrity, in a unified and interconnected its parts), induction (analysis of the facts of advantages and disadvantages of stability and development in HRM), deduction (analysis of the concept of digital maturity, digital transformation, stability, development), analogy (allows

to establish the relationship of equivalence between digital maturity and digital transformation, according to some characteristics such as stability and development), analysis of literary sources and information, as well as communication technologies.

## ● THE CONCEPT OF DIGITAL MATURITY IN THE CONTEXT OF HRM AND THE PROCESS OF ITS DIGITAL TRANSFORMATION

In HRM, digital maturity refers to the extent to which an organization has developed its capabilities and readiness to effectively leverage digital technologies and tools within its HRM practices and processes. It represents the organization's ability to utilize digital resources and strategies to enhance HRM outcomes, streamline operations, and improve overall effectiveness. Digital maturity holds excellent significance in academic research, as it indicates the varying degrees of transformation adopted by different organizations. It enables a thorough exploration of this socio-technical phenomenon (Tilson *et al.*, 2010).

To define and understand digital maturity in HRM, it is important to explore several key aspects. Adoption of digital technologies: digital maturity in HRM involves the adoption and integration of digital technologies and tools, talent management software, e-recruitment platforms, and digital communication tools (Petko, 2023). These technologies enable automation, data analysis, collaboration, and decision-making support in HRM processes. Digital maturity also encompasses developing digital skills and competencies among HR professionals and employees. It involves ensuring that HR staff have the necessary knowledge and abilities to effectively utilize digital tools, analyse data, and make informed decisions in the digital era (Awdziej *et al.*, 2023). Data-driven HR practices: digital maturity in HRM emphasizes using data and analytics to drive evidence-based decision-making in recruitment, performance management, employee engagement, and talent development. It involves leveraging data to gain insights, identify trends, and optimize HR strategies and processes (Tiahunova & Tiahunova, 2020; Empowering data-driven..., 2023). Integration and connectivity: a digitally mature HRM function is characterized by seamless integration and connectivity across different HR systems, allowing for efficient data flow and information exchange. This integration may involve linking HRM systems with other organizational systems, such as finance or operations, to enable cross-functional collaboration and alignment (Kane *et al.*, 2017). The levels of digital readiness and capability within organizations can vary. Some organizations may be in the early stages of digital transformation, with limited adoption of digital technologies and low digital skills among HR professionals. Others may have advanced digital capabilities, utilizing sophisticated Human Resources Information System (HRIS) platforms, advanced analytics, and AI-powered (artificial intelligence) tools to enhance HRM practices.

The impact of digital maturity on HRM effectiveness can be significant. A digitally mature HRM function can improve HR processes' efficiency, accuracy, and timeliness, reducing administrative burdens and enhancing productivity. It can also enable HR professionals to focus more on strategic activities, such as talent management, succession

planning, and organizational development. Additionally, digital maturity in HRM can improve the employee experience by providing self-service portals, mobile applications, and personalized communication channels, enhancing engagement and satisfaction levels (What are the benefits..., 2023). It can also facilitate data-driven decision-making, enabling HR professionals to identify patterns, predict future trends, and proactively address HR challenges. Understanding and achieving digital maturity in HRM is crucial for organizations to effectively leverage digital technologies and drive HRM practices toward greater efficiency, effectiveness, and strategic impact. The digital transformation process in HRM involves integrating and adopting digital technologies, strategies, and practices to reshape and optimize organizational HRM functions (Mardani *et al.*, 2023). Investigating this process involves exploring various aspects, including key drivers, challenges, and outcomes associated with digital transformation initiatives in HRM, an overview of which is provided below.

**Critical drivers of digital transformation in HRM.**  
**Technological advancements:** rapid advancements in digital technologies create opportunities for HRM functions to enhance efficiency, streamline processes, and improve decision-making. **Changing workforce dynamics:** the evolving expectations of the modern workforce, including digital natives, remote work, and flexible arrangements, push organizations to adopt digital solutions for improved employee experiences. **Data-driven decision-making:** the need for data-driven insights in HRM, including talent acquisition, performance management, and learning and development, drives the adoption of digital tools for data collection, analysis, and reporting. **Competitive advantage:** organizations seek a competitive edge by leveraging digital transformation to attract and retain top talent, increase operational agility, and drive innovation in HRM practices (Montero Guerra *et al.*, 2023).

**Challenges of digital transformation in HRM.** **Change management:** implementing digital transformation requires organizational change and often encounters resistance from employees accustomed to traditional processes. **Data privacy and security:** adopting digital HRM solutions necessitates robust data privacy and security measures to protect employee information and comply with regulations. **Skills gap:** digital transformation may require upskilling or reskilling HR professionals to utilize and manage new digital tools and technologies effectively. **Integration complexities:** integrating disparate HR systems and ensuring smooth interoperability between digital tools can present challenges.

**Outcomes of digital transformation initiatives in HRM.** **Enhanced operational efficiency:** automation of HR processes, self-service portals, and digitized workflows streamline administrative tasks, reducing manual effort and allowing HR professionals to focus on strategic initiatives. **Improved employee experience:** digital HRM tools enable self-service options, personalized communication, and access to information, enhancing employee engagement, satisfaction, and empowerment. **Data-driven insights:** digital transformation facilitates the collection, analysis, and interpretation of HR data, enabling evidence-based decision-making and strategic workforce planning. **Agile talent management:** digital solutions enable real-time talent acquisition,

performance management, and learning and development, supporting agility and adaptability in HRM practices.

Research by G.C. Kane *et al.* (2015) showed that good employees want to work in more mature digital organizations and constantly develop their competencies. Thus, more digitally mature organizations have an advantage in acquiring new promising personnel. However, the less mature are at risk of being left behind by existing workers who need adequate training and career development. For successful digital transformation, managers must consider digital orientation, intensity, and maturity as crucial strategic elements. These elements have a collective impact on financial performance. Hence, managers must review and assess them simultaneously to make informed strategic decisions that boost financial success. Managers must recognize the significant mediating role of digital maturity in achieving financial success in digital transformation. They should understand that digital maturity is a continuous process that involves skills and techniques. By internalizing this, managers can prepare their companies to create adequate value in rapidly changing digital environments, as M. Nasiri *et al.* (2022) highlighted. It is important to note that the specific drivers, challenges, and outcomes of digital transformation in HRM can vary depending on the organization's size, industry, and level of digital maturity. Understanding these factors is crucial for successfully planning, implementing, and managing digital transformation initiatives in HRM.

### ● THE IMPACT OF DIGITAL MATURITY AND DIGITAL TRANSFORMATION ON STABILITY AND THE ROLE OF DEVELOPMENT IN ACHIEVING DIGITAL MATURITY

The impact of digital maturity and digital transformation on stability within HRM processes, systems, and structures can be complex and multifaceted. How these factors can disrupt and enhance stability should be analysed, and the potential trade-offs involved need to be explored.

**Disruption of stability.** Changes in processes and workflows: digital transformation often involves rethinking and redesigning existing HRM processes and workflows, which can disrupt established routines and stability. Employees may need to adapt to new ways of working and may face challenges adjusting to the changes. **Skills and knowledge gaps:** HR professionals may need to acquire new digital skills and competencies as organizations undergo digital transformation. This learning curve can temporarily disrupt stability as employees adapt to the changes and develop the required expertise. **Integration challenges:** integrating various digital tools and systems may lead to technical difficulties and disruptions in the HRM infrastructure, impacting stability if the integration needs to be effectively managed.

**Enhancement of stability.** Efficiency and productivity improvements: digital maturity and transformation can increase efficiency and productivity in HRM processes, enabling smoother operations and reducing errors or bottlenecks. This improved efficiency can contribute to overall stability within HRM functions. **Data-driven decision-making:** digital maturity facilitates the collection and analysis of HR data, allowing for evidence-based decision-making.

This can lead to more informed and strategic HRM practices, enhancing stability by reducing uncertainties and increasing predictability. Streamlined communication and collaboration: it is mentioned in the study by L. Wang *et al.* (2022) that digital tools enable seamless communication and collaboration within HR teams and between HR and employees. Enhanced collaboration can improve coordination, increase transparency, and contribute to overall stability in HRM processes.

Trade-offs between stability and development. Resistance to change: stability often favours maintaining the status quo, while digital transformation requires embracing change and innovation. There can be a trade-off between the desire for stability and the need to adapt to new technologies and processes. Balancing standardization and flexibility: stability often relies on standardized processes and systems, while digital transformation may introduce more flexibility and customization. Striking the right balance between stability and flexibility is crucial to ensure that HRM practices align with organizational goals and needs. Managing risks: stability is often associated with risk mitigation, while digital transformation involves taking calculated risks to drive innovation and growth. Organizations must carefully manage risks associated with digitalization to maintain an appropriate level of stability. Organizations must navigate these trade-offs and carefully manage the disruption and enhancement of stability during digital transformation initiatives (Zhang & Chen, 2023). Successful implementation requires effective change management, upskilling employees, and ensuring a balance between stability and development to leverage the benefits of digital maturity while minimizing disruptions.

The role of development, including ongoing learning, training, and skill development, is vital in achieving and sustaining digital maturity within HRM. The importance of development and how organizations balance stability with the necessity of continuous growth in a digitally transforming environment should be examined. Keeping up with technological advancements: the digital landscape is constantly evolving, and constant learning is crucial to stay updated with emerging technologies, tools, and trends. Continuous development ensures that HR professionals have the knowledge and skills to effectively utilize digital tools and drive digital transformation in HRM (Zhang & Chen, 2023). Adapting to changing needs: digital transformation often changes HRM processes, systems, and roles. Ongoing learning enables HR professionals to adapt to these changes, acquire new competencies, and embrace innovative approaches in data analytics, automation, and digital HR strategy (Savchuk, 2020). Maximizing the potential of digital tools: digital maturity is not solely about adopting technology. It also requires the ability to leverage digital tools to their full potential. Ongoing learning and skill development empower HR professionals to effectively utilize digital tools for improved HRM practices, decision-making, and employee engagement.

Balancing stability with continuous development. Assessing the impact of change: organizations must carefully evaluate the potential impact of constant development initiatives on stability. Change management strategies should be employed to ensure that ongoing learning and development efforts do not overly disrupt stable HRM

processes or create resistance among employees. Agile approaches to learning and development: adopting agile learning methodologies allows organizations to balance stability with continuous growth. By implementing shorter learning cycles, organizations can incorporate new knowledge and skills in a controlled manner, minimizing disruption and promoting adaptability. Creating a learning culture: organizations can foster a culture of continuous learning and development, where employees are encouraged and supported to enhance their digital skills. This culture facilitates ongoing development while maintaining stability by embedding learning as a core value and integrating it into performance management and career development processes.

Encouraging collaboration and knowledge sharing among HR professionals helps ensure that digital expertise is distributed and shared within the organization. By fostering a collaborative environment, organizations can harness HR professionals' collective knowledge and experience to drive digital maturity while maintaining stability through collective learning and problem-solving. In summary, development is crucial in achieving and sustaining digital maturity in HRM. Ongoing learning, training, and skill development enable HR professionals to adapt to digital transformations, leverage digital tools effectively, and drive innovation. Organizations must balance the need for stability with continuous development by carefully managing change, adopting agile approaches, creating a learning culture, and fostering collaboration and knowledge sharing.

## ● VIEW OF DIGITAL MATURITY AND DIGITAL TRANSFORMATION IN HRM FROM THE PERSPECTIVE OF STABILITY VERSUS DEVELOPMENT

Digital maturity and transformation in HRM involve integrating and utilizing digital technologies and strategies to enhance HR processes and practices within an organization. Several factors come into play when considering stability versus development in the context of digital maturity and digital transformation in HRM. They need to be explored in more detail.

Stability. Established processes: stability in HRM focuses on maintaining existing processes and practices that have proven effective over time. This approach emphasizes consistency and reliability, ensuring that HR functions are executed efficiently without significant disruptions. Risk mitigation: stability-oriented HRM aims to minimize risks associated with change. It prioritizes stability to avoid potential negative impacts on employee satisfaction, productivity, and overall organizational performance. Incremental changes: stability-focused organizations may adopt a conservative approach by making incremental changes in their HR processes. They may prefer implementing digital tools and technologies that align with their existing systems, making gradual improvements rather than drastic overhauls.

Development. Agility and adaptability: organizations prioritizing HRM development recognize the need to adapt to changing market dynamics and technological advancements. They embrace digital transformation to enhance agility and promptly respond to evolving business needs. Innovation and competitive advantage: development-

oriented HRM seeks to leverage digital technologies to drive innovation and gain a competitive edge. By adopting emerging tools and strategies, organizations can enhance their HR processes, attract top talent, and improve the overall employee experience. Scalability and efficiency: development-focused HRM aims to optimize HR processes by leveraging digital solutions that enable scalability and efficiency gains. Automation, analytics, and cloud-based platforms can streamline administrative tasks, improve decision-making, and free up HR resources for more strategic initiatives. Achieving a balance between stability and development in HRM is crucial. Organizations must maintain stability in core HR functions while fostering a culture of continuous improvement and innovation. This approach involves the following.

**Strategic planning:** organizations should develop a clear roadmap for digital transformation in HRM, aligning it with overall business objectives. This plan should account for stability and development needs, ensuring a harmoni-

ous integration of new technologies without compromising existing processes. **Change management:** effective change management practices are essential to address resistance to change and facilitate smooth transitions. Employees should receive the necessary training, support, and communication throughout the digital transformation journey. **Iterative approach:** organizations can adopt an iterative approach, implementing digital solutions in phases. This allows them to assess the impact of each implementation, make necessary adjustments, and ensure stability before moving on to the next phase. **Continuous learning:** encouraging a learning culture within the HR department lets employees stay updated with the latest trends and technologies. This enables HR professionals to make informed decisions and contribute to the ongoing digital transformation process. One can consider the balance between stability and progress when examining digital maturity and transformation in HRM. However, as shown in Table 1, each approach has benefits and drawbacks.

**Table 1.** View of digital maturity and digital transformation in HRM from the perspective of stability versus development

Stability	
Stability in HRM refers to the ability to maintain existing processes, systems, and practices without significant disruption. In the context of digital maturity, it implies that the HR function operates with established technologies and processes that are stable and reliable. Stability may be suitable for organizations prioritizing maintaining the status quo, having limited resources for change, or operating in industries with slower technological advancements.	
Advantages of stability in HRM:	Disadvantages of stability in HRM:
<p><i>Familiarity and comfort:</i> stability allows HR professionals to work within a familiar framework, reducing the need for extensive training and learning curves.</p> <p><i>Minimal disruption:</i> stable HR systems ensure day-to-day operations run smoothly without significant interruptions, minimizing potential risks and errors.</p> <p><i>Cost-effective:</i> by avoiding frequent technological changes, organizations can prevent substantial investments in new HR technologies and focus their resources on other strategic initiatives.</p>	<p><i>Limited innovation:</i> sticking to stable systems can hinder HR’s ability to adopt innovative solutions and keep pace with evolving industry trends.</p> <p><i>Inefficiency:</i> outdated technologies and processes may be less efficient and time-consuming, resulting in delays and increased manual work.</p> <p><i>Competitive disadvantage:</i> organizations that resist digital transformation risk falling behind their competitors who leverage technology to gain a competitive edge in talent acquisition, engagement, and performance management.</p>
Development	
Development in HRM refers to embracing digital transformation and continuously evolving HR practices to leverage new technologies, data analytics, automation, and digital tools. It involves rethinking and redesigning HR processes to improve efficiency, effectiveness, and employee experience through technology-driven solutions.	
Advantages of development in HRM:	Disadvantages of development in HRM:
<p><i>Enhanced productivity:</i> digital transformation can automate routine administrative tasks, freeing HR professionals’ time to focus on strategic initiatives and value-added activities.</p> <p><i>Improved decision-making:</i> data analytics and digital tools enable HR to gather and analyse relevant workforce data, leading to data-driven insights for better decision-making and strategic planning.</p> <p><i>Enhanced employee experience:</i> technology-driven HR solutions can provide self-service portals, mobile apps, and AI-powered chatbots, improving employee engagement, communication, and satisfaction.</p> <p><i>Agility and adaptability:</i> embracing digital transformation allows HR to respond quickly to changing business needs, market demands, and regulatory requirements.</p>	<p><i>Implementation challenges:</i> digital transformation initiatives can be complex, requiring careful planning, change management, and investment. Poor implementation can lead to delays, resistance, and cost overruns.</p> <p><i>Skills and knowledge gaps:</i> adopting new technologies may require upskilling HR professionals to ensure they have the skills needed to use and manage digital HR solutions effectively.</p> <p><i>Data security and privacy concerns:</i> increased reliance on technology and data collection raises cybersecurity risks and requires robust measures to protect sensitive employee information.</p>

**Source:** compiled by the authors

Achieving a balance between stability and development is crucial for successful digital transformation in HRM. While stability ensures the smooth functioning of core HR operations, development enables organizations to leverage digital technologies for continuous improvement and innovation. Here are a few strategies to strike a balance. **Prioritize:** identify critical HR processes that require stability and prioritize their maintenance and smooth functioning during the digital transformation journey. **Incremental approach:** adopt an incremental approach to digital transformation, focusing on one HR process or system at a time. This allows for gradual change while maintaining stability in other areas. **Change management:** invest in change management initiatives to address employee concerns and resistance to change. **Communicate** the benefits of digital transformation and provide training and support to ensure successful adoption. **Collaboration:** foster collaboration between HR and IT teams to ensure stability considerations are considered while implementing digital solutions. **Work together** to design and implement solutions that balance stability and development. **Continuous evaluation:** regularly evaluate the impact of digital transformation initiatives on stability and make adjustments as necessary. **Monitor** key metrics to measure the effectiveness of new digital HR systems and processes. By striking a balance between stability and development, organizations can successfully navigate the digital transformation journey in HRM, driving innovation and improving overall HR effectiveness while ensuring the stability of core HR operations (Zhang & Chen, 2023). Understanding digital maturity is crucial for academic research as it helps to comprehend the different paths taken by organizations in this ongoing socio-technical phenomenon. While a digital strategy aligns with ICT (Information and communications technology) and business strategies, a digital transformation strategy encompasses the organizational change process's vision, planning, and implementation (Montero Guerra *et al.*, 2023).

In conclusion, balancing stability and development is critical to successful digital maturity and transformation in HRM. While stability maintains operational continuity, development ensures that organizations stay agile, innovative, and competitive in an increasingly digital world. Stability and development have their merits and drawbacks in the context of digital maturity and transformation in HRM. Organizations must strike a balance based on their goals, resources, and industry dynamics. While stability provides familiarity and reliability, development enables innovation, efficiency, and agility, fostering a more advanced HR function capable of meeting evolving business needs.

## ● ANALYSIS OF RECENT RESEARCH AND PUBLICATIONS ON THE TOPIC

Many scientists devoted their scientific works to studying theoretical and practical aspects, the latest trends of digital maturity and digital transformation, and the balance between stability and development when implementing digital strategies and technologies in HRM. N. Verina & J. Titko (2019) emphasised that when it comes to digital transformation, many organizations fail to prioritize the human element within and outside the company. Research suggests that motivated employee involvement is crucial for

successful digital transformation (Schwertner, 2017) and that the human factor is more vital than technology (Del Rowe, 2017). According to F. Trevino (2020), it is crucial for any organization to have the right people on board. Without them, any organization is bound to fail. When it comes to digital transformation, it is essential to evaluate the current personnel, their roles, and the skills they possess. The first step is to assess the level of maturity of staff members. This approach also involves understanding the cultural changes when an organization adopts digital technology.

Experts such as D.B. Minbaeva (2018) contend that digital HRM is an organizational skill that utilizes traditional data analysis, sentiment analysis, or algorithms to produce positive outcomes based on accumulated information. Digital HRM has been demonstrated to enhance decision-making quality (Van Esch *et al.*, 2019; Gal *et al.*, 2020). The organizations can become more adaptable to a fast-paced environment and gain a competitive advantage, increase HRM department involvement in strategy (Levenson, 2018), elevate employee performance and experience (Schiemann *et al.*, 2018), and improve overall organizational financial performance (Malik *et al.*, 2021). The effects of digital transformation have extended far beyond our daily lives, impacting HRM's roles and processes, as Y. Schmid & F. Pscherer (2022) outlined. As new digital technologies emerge, HR departments must adapt to changes in how data and information are handled. These technologies have revolutionized HRM processes, improving stakeholder service delivery. M. Mosca (2020) highlights such technologies as employee recruitment, performance evaluation, and human resource development. It is clear that the effects of digital transformation extend beyond our daily lives and have significant implications for the world of HR. According to M. Mosca (2020), digital HRM is a time-saving and productive solution for HRM functions. The process has been made simpler and faster due to digital transformation, as noted by D. Démeijer (2017). Consequently, HRM specialists can now focus on more meaningful initiatives for their respective areas. Digital HRM approaches have become increasingly essential and are now instrumental in shaping the HR strategy and the organization.

Organizations may encounter internal resistance during a transformation. Overcoming this resistance requires leaders with transformational skills who actively involve all affected by the changes, as highlighted by C. Matt *et al.* (2015). However, it is crucial to recognize that increased use of digital technologies may not always be beneficial. As such, evaluating the digital maturity levels is critical, though the definition of "digital maturity" may vary. For instance, S. Chaniyas & T. Hess (2016) referred to digital maturity as "the state of a company's digital transformation". T. Chamorro-Premuzic (2021) said that digital maturity refers to the ability of an organization or individual to effectively use digital technologies, tools, and data to achieve its goals. It includes knowledge, skills, ability to use digital resources, creativity, and flexibility in solving problems in the digital environment. In his article, S.F. Dieffenbacher (2022) substantiated that digital maturity allows the implementation of new methods of interviewing and evaluating candidates, using analytics to select the most suitable candidates, and automating the processes of job posting and interaction with applicants. Research by J. Brown (2023) about digital

maturity refers to using electronic platforms to train and develop employees and create access to online courses, webinars, and other educational resources. Digital tools enable the automation of performance appraisal processes and use performance management systems, 360-degree feedback, and analytics to assess employee progress and achievements.

L. Wang *et al.* (2022) suggested that HRM capability maturity is a crucial boundary condition for understanding the effectiveness of digital HRM practices. Companies strive for digital maturity and utilize technological advancements to enhance talent management. However, this approach can significantly hinder transformation success due to limited resources and skills. This is stated in J.M. Montero Guerra *et al.* (2023) research. Throughout the study, T. Ahmad & A. Van Looy (2020) established that digital transformation refers to the strategic process of transforming an organization, its business models, processes, products, and services using digital technologies. It involves introducing digital tools, a review of business processes, a change in the organization's culture, and the involvement of digital communication channels with customers and employees.

A.F. Barišić *et al.* (2021) research is about digital transformation in human resources management, including using digital technologies and tools to optimize and improve personnel management processes. This can have both challenges and benefits for HRM. Digital transformation has the potential to improve HR efficiency and productivity, but it also poses challenges related to cultural change, staff skills, and data security. The implementation of digital tools should be carefully planned and adequately trained to ensure success in the process, which is stated in A. Heydari *et al.* (2023) research. Researchers J. Zhang & Z. Chen (2023) substantiated that a balanced approach to stability and development in HRM allows the organization to successfully implement digital initiatives, ensuring the optimal use of digital technologies to improve personnel management and achieve strategic goals. These opinions confirm that the issue of digital maturity in human resources management is relevant for study and development in Ukraine and other countries.

## ● CONCLUSIONS

As organizations embark on their digital transformation journey in HRM, they must balance stability and development to succeed. This balance is essential as it enables

them to take advantage of the opportunities offered by digital technologies while maintaining the core stability of HR operations. Assessing an organization's digital readiness, technological infrastructure, and level of digital literacy among employees is crucial to achieving digital maturity. Academic research provides valuable insights into successful strategies and potential pitfalls organizations can adopt during digital transformation.

A well-crafted digital strategy that effectively aligns ICT and business goals is critical to the success of digital transformation in HRM. This strategy should outline a roadmap for implementing technological advancements in HR processes and supporting the overall business strategy. While the digital strategy focuses on technological aspects, a digital transformation strategy encompasses the broader organizational change needed to embrace the digital revolution fully. Stability in HR operations is fundamental to ensure smooth functioning, compliance with regulations, and consistent service delivery. On the contrary, development is critical to foster innovation and adaptability in the digital era. Investing in training and upskilling initiatives is essential to ensure that employees can effectively leverage digital tools and embrace the digital culture.

Finding the proper equilibrium between stability and development is unique to each organization's digital transformation journey. HR leaders must assess the risks and opportunities associated with various strategies to strike the right balance. Organizations should foster a culture of innovation, continuous learning, and collaboration to achieve successful digital maturity and transformation in HRM. Through effective digital strategies and a growth-oriented mindset, organizations can navigate the complexities of digital transformation and drive positive change in HRM. To successfully integrate digital initiatives in HR, studying the impact on workplace stability, ethics, leadership, power distribution, communication, digital culture, remote work, and flexible hours is essential. Researching these areas in future studies can help make informed decisions for maximum benefits.

## ● ACKNOWLEDGEMENTS

None.

## ● CONFLICT OF INTEREST

None.

## ● REFERENCES

- [1] Ahmad, T., & Van Looy, A. (2020). Business process management and digital innovations: A systematic literature review. *Sustainability*, 12(17), article number 6827. doi: 10.3390/su12176827.
- [2] Awdziej, M., Jaciow, M., Lipowski, M., Tkaczyk, J., & Wolny, R. (2023). Students digital maturity and its implications for sustainable behavior. *Sustainability*, 15(9), article number 7269. doi: 10.3390/su15097269.
- [3] Barišić, A.F., Rybacka Barišić, J., & Miloloža, I. (2021). Digital transformation: Challenges for human resources management. *ENTRENOVA – ENTerprise REsearch InNOVATION*, 7(1), 357-366. doi: 10.54820/GTFN9743.
- [4] Brown, J. (2023). *What is employee training and development (from A to Z)*. Retrieved from <https://helpjuice.com/blog/employee-training-development>.
- [5] Canetta, L., Barni, A., & Montini, E. (2018). Development of a digitalization maturity model for the manufacturing sector. In *2018 IEEE international conference on engineering, technology and innovation* (pp. 1-7). Stuttgart: IEEE. doi: 10.1109/ICE.2018.8436292.
- [6] Chamorro-Premuzic, T. (2021). *The essential components of digital transformation*. Retrieved from <https://hbr.org/2021/11/the-essential-components-of-digital-transformation>.
- [7] Chantias, S., & Hess, T. (2016). *How digital are we? Maturity models for the assessment of a company's status in the digital transformation*. München: LMU.

- [8] Del Rowe, S. (2017). Digital transformation needs to happen: The clock is ticking for companies that have been unwilling to embrace change. *CRM Magazine*, 21(10). Retrieved from <https://www.destinationcrm.com/Articles/Editorial/Magazine-Features/Digital-Transformation-Needs-to-Happen-Now-120789.aspx>.
- [9] Demeijer, D. (2017). *Making digital HRM work: A study in changes in perceived consequences of e-HRM in the past decade*. Enschede: University of Twente.
- [10] Dieffenbacher, S.F. (2022). *What is digital maturity, how to measure, tools & models*. Retrieved from <https://digitalleadership.com/blog/digital-maturity/>.
- [11] Empowering data-driven decision-making with BI. (2023). Retrieved from <https://businessintelligence.blogivo.com/2023/05/20/empowering-data-driven-decision-making-with-bi/>.
- [12] Gal, U., Jensen, T.B., & Stein, M.-K. (2020). Breaking the vicious cycle of algorithmic management: A virtue ethics approach to people analytics. *Information and Organization*, 30(2), article number 100301. doi: 10.1016/j.infoandorg.2020.100301.
- [13] Hamberg, L. (2022). What is digital transformation and digital maturity? *Academy of Management Annual Meeting Proceedings*, 2022(1). doi: 10.5465/AMBPP.2022.18172abstract.
- [14] Heydari, A., Yazdani, H., Hakim, A., Zarei Matin, H., & Babashahi, J. (2023). *Provide a roadmap for digital transformation in the field of human resource with a meta-synthesis approach*. *Organizational Resources Management Researches*, 12(4), 97-118.
- [15] Kane, G.C., Palmer, D., Phillips, A.N., Kiron, D., & Buckley, N. (2015). *Strategy, not technology, drives digital transformation*. Massachusetts: MIT Sloan Management Review.
- [16] Kane, G.C., Palmer, D., Phillips, A.N., Kiron, D., & Buckley, N. (2017). *Achieving digital maturity*. Massachusetts: MIT Sloan Management Review.
- [17] Levenson, A. (2018). Using workforce analytics to improve strategy execution. *Human Resource Management*, 57(3), 685-700. doi: 10.1002/hrm.21850.
- [18] Malik, A., Budhwar, P., Patel, C., & Srikanth, N.R. (2021). May the bots be with you! Delivering HR cost-effectiveness and individualized employee experiences in an MNE. *The International Journal of Human Resource Management*, 33(6), 1148-1178. doi: 10.1080/09585192.2020.1859582.
- [19] Mardani, A., Jabbour, C.J.C., Cavallaro, F., & Deveci, M. (2023). *Digital transformation of human resource management: Current status, perspectives, challenges, and opportunities*. Retrieved from <https://www.emeraldgroupublishing.com/calls-for-papers/digital-transformation-human-resource-management-current-status-perspectives>.
- [20] Matt, C., Hess, T., & Benlian, A. (2015). Digital transformation strategies. *Business & Information Systems Engineering*, 57, 339-343. doi: 10.1007/s12599-015-0401-5.
- [21] Minbaeva, D.B. (2018). Building credible human capital analytics for organizational competitive advantage. *Human Resource Management*, 57(3), 701-713. doi: 10.1002/hrm.21848.
- [22] Montero Guerra, J.M., Danvila-del-Valle, I., & Méndez-Suárez, M. (2023). The impact of digital transformation on talent management. *Technological Forecasting and Social Change*, 188, article number 122291. doi: 10.1016/j.techfore.2022.122291.
- [23] Mosca, M. (2020). *Digitalization of HRM: A study of success factors and consequences in the last decade*. (Master thesis, University of Twente, Enschede, Netherlands).
- [24] Nasiri, M., Saunila, M., & Ukko, J. (2022). Digital orientation, digital maturity, and digital intensity: Determinants of financial success in digital transformation settings. *International Journal of Operations & Production Management*, 42(13), 274-298. doi: 10.1108/IJOPM-09-2021-0616.
- [25] Pannell, R. (2022). *Why are control plans essential in project management*. Retrieved from <https://leanscape.io/why-are-control-plans-essential-in-project-management>.
- [26] Petko, S. (2023). The theoretical backgrounds of business entities digital transformation. *Economy and Society*, 47. doi: 10.32782/2524-0072/2023-47-55.
- [27] Remane, G., Hanelt, A., Nickerson, R.C., & Kolbe, L.M. (2017). Discovering digital business models in traditional industries. *Journal of Business Strategy*, 38(2), 41-51. doi: 10.1108/JBS-10-2016-0127.
- [28] Savchuk, S. (2020). On the issue of evaluation of digital maturity of the enterprise in the conditions of digital transformation. *Scientific Herald of Ivano-Frankivsk National Technical University of Oil and Gas*, 1(21), 78-85. doi: 10.31471/2409-0948-2020-1(21)-78-85.
- [29] Schiemann, W.A., Seibert, J.H., & Blankenship, M.H. (2018). Putting human capital analytics to work: Predicting and driving business success. *Human Resource Management*, 57(3), 795-807. doi: 10.1002/hrm.21843.
- [30] Schmid, Y., & Pscherer, F. (2022). Digital transformation affecting human resource activities: A mixed-methods approach. In T. Ahram, & R. Taiar (Eds.), *Human interaction, emerging technologies and future systems V* (pp. 543-549). Cham: Springer. doi: 10.1007/978-3-030-85540-6\_68.
- [31] Schwertner, K. (2017). Digital transformation of business. *Trakia Journal of Sciences*, 15(1), 388-393. doi: 10.15547/tjs.2017.s.01.065.
- [32] Shulzhyk, Yu., Gritsko, R., & Pekanets, S. (2022). Management of changes in the conditions of digitalization. *Scientific Works of Interregional Academy of Personnel Management, Economic Sciences*, 3(66), 127-134. doi: 10.32689/2523-4536/66-18.
- [33] Tiahunova, N., & Tiahunova, Z. (2020). The influence of digital transformation of business on social responsibility of trade enterprises. *Problems of Systemic Approach in the Economy*, 4(78), 177-183. doi: 10.32782/2520-2200/2020-4-24.



- [34] Tilson, D., Lyytinen, K., & Sørensen, C. (2010). Research commentary – digital infrastructures: The missing IS research agenda. *Information Systems Research*, 21(4), 748-759. doi: 10.1287/isre.1100.0318.
- [35] Trevino, F. (2020). *Digital transformation: People, process, product and technology*. Retrieved from <https://www.illumulus.com/digital-strategy/digital-transformation-people-process-product-and-technology/>.
- [36] Van Esch, P., Black, J.S., & Ferolie, J. (2019). Marketing AI recruitment: The next phase in job application and selection. *Computers in Human Behavior*, 90, 215-222. doi: 10.1016/j.chb.2018.09.009.
- [37] Verina, N., & Titko, J. (2019). Digital transformation: Conceptual framework. In *International scientific conference "Contemporary issues in business, management and economics engineering"* (pp. 719-727). Vilnius: Vilnius Gediminas Technical University. doi: 10.3846/cibmee.2019.073.
- [38] Wang, L., Zhou, Y., & Zheng, G. (2022). Linking digital HRM practices with HRM effectiveness: The moderate role of HRM capability maturity from the adaptive structuration perspective. *Sustainability*, 14(2), article number 1003. doi: 10.3390/su14021003.
- [39] What is the benefits of SAP HR? (2023). Retrieved from <https://technology0.wordpress.com/2023/02/13/what-is-the-benefits-of-sap-hr/>.
- [40] Zhang, J., & Chen, Z. (2023). Exploring human resource management digital transformation in the digital age. *Journal of the Knowledge Economy*. doi: 10.1007/s13132-023-01214-y.

## Цифрова зрілість і цифрова трансформація в управлінні людськими ресурсами: стабільність проти розвитку

**Галина Валентинівна Назарова**

Доктор економічних наук, професор  
Харківський національний економічний університет імені Семена Кузнеця  
61166, просп. Науки, 9А, м. Харків, Україна  
<https://orcid.org/0000-0003-4893-5406>

**Вікторія Олександрівна Руденко**

Аспірант  
Харківський національний економічний університет імені Семена Кузнеця  
61166, просп. Науки, 9А, м. Харків, Україна  
<https://orcid.org/0000-0001-7920-4679>

**Анотація.** Цифрова трансформація вплинула на всі сфери життя, включно з управлінням персоналом. Вивчення цифрової зрілості є актуальним, адже може допомогти організаціям адаптуватися до змін і вдосконалити стратегії управління людськими ресурсами для успішної трансформації. Це дослідження мало на меті вивчити взаємозв'язок між цифровою зрілістю, трансформацією та управлінням людськими ресурсами, а також те, як організації можуть використовувати цифрові технології для підвищення зрілості, можливостей та подолання перешкод. Для досягнення мети використовувалися комплексний аналіз, методи синтезу, індукції, дедукції, аналогії як методичних інструментів для аналізу літературних джерел та використання інформаційних і комунікаційних технологій. Досліджено важливість цифрової зрілості для практик і процесів управління персоналом, а також процес цифрової трансформації у функціях управління. Визначено драйвери, виклики та результати, пов'язані з ініціативами цифрової трансформації, проаналізовано вплив цифрової зрілості та трансформації на стабільність. Дослідження також вивчало можливі компроміси між підтриманням стабільності та сприянням розвитку за допомогою цифрових технологій. Оцінено важливість безперервного навчання, тренування та розвитку навичок в управлінні персоналом для досягнення та підтримки цифрової зрілості. Розроблено концептуальну основу, яка зосереджена на взаємозв'язку між стійкістю та розвитком у контексті цифрової зрілості та трансформації в управлінні людськими ресурсами, що забезпечує всебічне розуміння цієї динаміки. Дослідження може допомогти ефективно керувати цифровою трансформацією та надає корисну інформацію як для академічного, так і для практичного застосування в галузі управління людськими ресурсами, привносить нову перспективу в баланс між стабільністю та розвитком

**Ключові слова:** баланс; організаційні зміни; інновації; стратегічне управління персоналом; електронні інструменти та технології