

RESHAPING PERFORMANCE MANAGEMENT THROUGH IT-ENABLED PROCESSES IN DIGITAL TRANSFORMATION

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Today, scientists and management specialists are facing the intense growth of information technologies related to machine learning and artificial intelligence that influences and challenges all the existing approaches to performance evaluation, planning, and management in general. Combined with already established trends towards the use of big data, social media, and the internet of things, as well as the new and even potential developments like quantum computing, it creates an environment that is drastically different from the environment that existed when modern performance management was developed. This leads to the strong necessity of investigation of the new ways of adapting the performance management theory and practice on all levels: from individual employee performance to the overall performance of a large multinational company.

It is possible to outline several main directions of digital transformation influence in this field. First of all, it influences the decision-making processes by facilitating data-driven decisions, shifting towards flexible performance measurement systems [1], automating performance measurement processes, and creating real-time feedback systems [2]. This can be characterized as the influence that supports the manager's effort by providing additional tools. From another perspective, digital transformation creates additional challenges for managers. It is especially prominent in the social aspect of management as it influences the relationships between managers and other employees. Human resource and performance management have become more challenging [3] because of changes in work culture, the wide adoption of remote work, and changes in the whole business models of companies. Combined with more flexible employment, stricter control using IT, and ethical issues, these factors can cause significant problems in the utilization of traditional performance metrics and approaches.

It is obvious that successful reshaping performance management in this situation is possible only through the IT-enabled processes by integrating the aforementioned elements of technology that have practical significance and constructing a consistent practice in this field that will be targeted to reduce the contradictions and make the processes more employee-oriented.

References:

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