



# The impact of digital HRMP on employee performance through employee motivation

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**Abstract:** This study aims at investigating the impact of digital HRM on employee performance through employee motivation. Collecting data using a valid and reliable questionnaire from employees at Banking industry in Coimbatore district, the results show that digital HRM practices had significant effects on both employee motivation and job performance. Consequently, it was approved that employee motivation partially mediated the effect of digital HRM practices on job performance. Therefore, to ensure accurate and transparent evaluation of employee performance and to give them prompt feedback on their performance, organizations are asked to save time and money when conducting training sessions using digital methods. Theoretically, the study called scholars to carry out further research to examine how digital HRM methods affect employee outcomes like job satisfaction and attrition intention.

**Key Words:** Digital HRMP, Employee Motivation and Employee Job Performance.

## 1. INTRODUCTION:

Employee productivity, both in-role and extra-role, is closely linked to job performance, making it a critical component of an organization's success. As a result, this feature is highly valued by both organizations and scholars. Various variables were drivers of employee performance in several research conducted to investigate the antecedents of employee job performance. Employee development, motivation, training, and performance reviews are a few examples of these drivers, along with other elements like citizenship behaviour and leadership styles (Mukhlis, et al. 2022; Sandhu, et al. 2017; Atatsi, et al. 2019; Diamantidis & Chatzoglou, 2019; Bedarkar & Pandita, 2014; Iqbal, et al. 2015). Researchers emphasized the significance of HRM practices as critical factors that influence employee performance (Younas, et al. 2018; Ozkeser, 2019; Diamantidis & Chatzoglou 2019; Lumunon, et al. 2021). HRM practices are implemented digitally in the digitalization era, which entails employing technological apps and the Internet to carry out human resource activities (Halid, et al. 2020). Given that HRM practices can boost employee motivation and improve job performance, some studies (Bawa, 2017; Riyanto, et al. 2021; Al-Jedaia & Mehrez, 2020) have highlighted a significant role of employee motivation in the relationship between HRM practices and employee job performance. Employee motivation was thus presented as a mediating component in the relationship between employee job performance and digital HRM practices. The two goals of this study are based on the research. First, to determine how employee motivation and job performance are affected by digital HRM methods. The second step is to investigate how employee motivation influences how digital HRM methods affect workers' job performance.

By highlighting the impact of digital training and digital performance evaluation on employee job performance through employee motivation, encouraging researchers to carry out additional studies utilizing other digital HRM practices, and educating organizations about some elements that enhance employee performance, the study's accomplishment of its goals adds to the body of literature. This study is among the first to examine how digital HRM methods affect workers' job performance when employee motivation is present. It is anticipated that the study's findings will help firms improve worker performance.



## 2. REVIEW OF LITERATURE:

**2.1 DT and EM:** HRM techniques like staff development and training could help organizations increase employee motivation (Bawa, 2017). According to a review of the literature on the predictors of employee motivation, EM was found to be significantly impacted by the following factors: work environment, supervisor relationships, employee empowerment, employee benefits, and employee recognition (Khan, et al. 2017; Hossain & Hossain, 2012). Research on the relationship between employee training and motivation shows that training is a significant predictor of motivation (Niati, et al. 2021). According to the following hypothesis, it was anticipated that digital training (DT) would significantly increase employee motivation:

**H1:** *DT has a significant effect on EM.*

**2.2 EM and JP:** Employee performance and employee motivation are significantly correlated (Siddiqui, 2019). According to certain research, employee motivation has a favourable effect on job performance (Sandhu, et al. 2017). Employee intrinsic motivation significantly influences job performance, according to Diamantidis and Chatzoglou's (2019) analysis of factors influencing employee performance. The findings of Kuswati's (2020) study, which used a sample of government officials, showed that employee motivation significantly improved job performance. According to Chien, et al. (2020), employee performance is significantly impacted by worker motivations, including financial motivation, job satisfaction, internal and external self-concepts, and goal internalization. Numerous research has really documented the beneficial impact of employee motivation on job performance (Sulila, 2019; Riyanto, et al. 2021). Consequently, it was anticipated that:

**H3:** *EM has a significant effect on JP.*

**2.3 DPA and JP through EM:** The most crucial part of performance reviews is performance feedback, which lets companies know how well employees are performing and make the necessary adjustments. Numerous factors, including employee motivation, influence the relationship between performance appraisal and employee performance (Iqbal, et al. 2013). According to Chahar (2020), EM significantly mitigates the effect of employee performance reviews on JP. Buluto & Markos (2017) observed a similar outcome. The following hypothesis was made to ascertain the mediating function of employee motivation in this respect:

**H5:** *DPA has a significant effect on JP through EM.*

**2.4 DT and JP through EM:** There must be a significant relationship between DT and EM, a significant link between EM and JP, and a significant link between EM and JP to guarantee the mediating role of EM between DT and JP. Employee training is crucial for raising employee motivation, which raises employee performance, according to earlier research like Ozkeser (2019) (Sandhu, et al. 2017). Lumunon, et al. (2021) assert that job motivation, digital transformation, and employee training all have a major impact on employee performance. Some studies' findings satisfied the first condition, which was that employee training had a significant impact on employee motivation (Ozkeser, 2019); the second condition, which was that EM was thought to have a significant impact on JP (Diamantidis & Chatzoglou, 2019); and the third condition, which was that employee training had to have a significant impact on JP (Younas, et al. 2018). As a result, the following theory was proposed:

**H4:** *DT has a significant effect on JP through EM.*

## 3. RESEARCH METHODOLOGY:

### 3.1 Questionnaire Construction:

**Table 1: Questionnaire Construction**

S.No.	Variable	Item	Author
1	<b>DHRM</b>	<b>10</b>	
	D-Training	5	Al-Hawary (2015)
	D- Performance Appraisal	5	Kuvaas (2006)
2	Employee Motivation	5	Siddiqui (2019)
3	Employee Job Performance	5	Deng, et al. (2022)

Employee training was measured using 5 items adopted from Al-Hawary (2015), and performance appraisal was measured using 5-item based on Kuvaas (2006). On the other hand, employee motivation was measured by 5 items adopted from Siddiqui (2019), and job performance was assessed using 5 items (Deng, et al. 2022). Items of digital HRM, i.e., digital training and digital performance appraisal were written in line with the objectives of the current study. That is, to reflect participants' opinions in training and performance appraisal when carried out using digital means. These items were designed using a five-point Likert scale, in which 5 refers to strongly agree and 1 refers to strongly disagree.



**3.2 Sample and data collection:** The population of the study comprises employees working at banking sector in Coimbatore, from which a sample consisted of 300 were randomly selected. Using a questionnaire to collect required data, a total of 269 questionnaires were returned and 251 were valid for data analysis purposes.

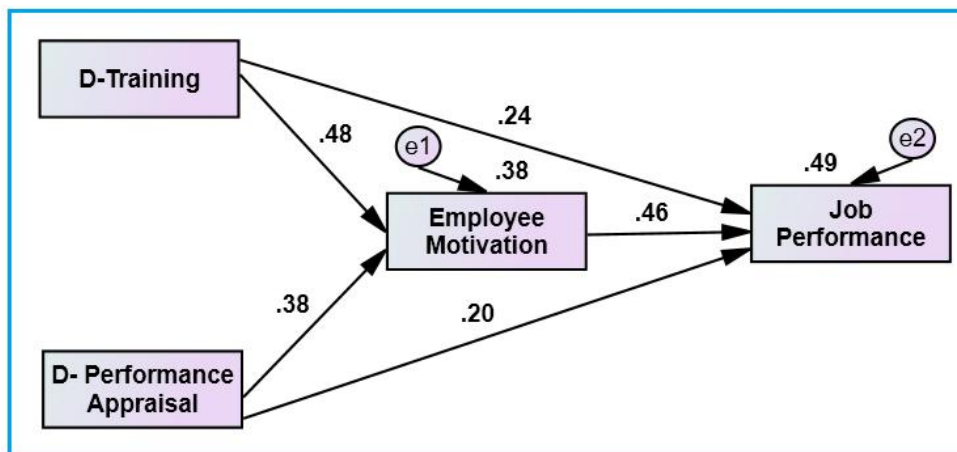
**3.3 Reliability:** Pilot study was done to confirm that the results of this research questionnaire are reliable. The questionnaires are verified by involving 251 bank employees in Coimbatore, Coimbatore. Cronbach’s alpha tool is employed to test the reliability. All the variables of this questionnaire are above 0.70. The results show that it is reliable. This means that the questionnaire has a high reliability value.

**Table 2: Reliability of the research**

S.No.	Variable	Item	Cronbach’s Alpha
1	<b>DHRM</b>	10	<b>0.84</b>
	D-Training	5	0.80
	D- Performance Appraisal	5	0.88
2	Employee Motivation	5	0.90
3	Employee Job Performance	5	0.91

Source: Primary data

**4. RESULT AND DISCUSSION**



**Figure 1: Mediating effect of employee motivation between digital HRMP and employee performance**

**Table 3: Model Fit Indication**

	Model Fit Indicators	Calculated Values in the Analysis	Recommended Values (Premapriya, et al. 2016)
<b>Goodness fit</b>	Chi-Square	2.304	---
	p	0.405	> 0.050
	GFI	1.000	> 0.90
	AGFI	0.998	
	CFI	1.000	
<b>Badness Fit</b>	NFI	1.000	
	RMR	0.001	< 0.080
	RMSEA	0.008	

Source: Primary data

**Table 4: Regression Weights**

DV		IV	Estimate	S.E.	C.R.	Beta	P-Value
Employee Motivation	<---	D-Training	0.396	0.026	15.349	0.483	0.001
Employee Motivation	<---	D- Performance Appraisal	0.280	0.023	12.136	0.382	0.001
Employee Job Performance	<---	Employee Motivation	0.452	0.035	12.820	0.465	0.001
Employee Job Performance	<---	D- Performance Appraisal	0.144	0.023	6.347	0.201	0.001
Employee Job Performance	<---	D-Training	0.189	0.027	7.050	0.236	0.001

Source: Primary data



The above table presents the mode summary of mediating effect of employee motivation between digital HRMP and employee performance. The path model presented, along with mode summary to verify the model fitness. The Chi-square statistic is 2.304 with  $p > 0.05$ . The table illustrates the model fit statistics such as RMSEA, RMR, NFI, CFI, AGFI and GFI. RMR and RMSEA are within than the recommended limit i.e., RMR and RMSEA is less than 0.08 (Indra, Balaji and Velaudham, 2020; Velaudham and Baskar, 2016). NFI, CFI, AGFI and GFI are within than the recommended limit i.e., NFI, CFI, AGFI and GFI is greater than 0.90 (Kantiah Alias Deepak and Velaudham, 2019; Velaudham and Baskar, 2015). All the model fit statistics imply a better model fit (Premapriya, et al. 2016; Hariprabhu Dhakal, et al. 2025; Victor and Velaudham, 2020).

H<sub>A1</sub>: D-Training has a significant effect on employee motivation.

The hypothesis was tested in path model. The finding of the analysis demonstrated that the C.R. value is 15.349;  $\beta$  value is 0.483 and p value is significant. The value of  $\beta$  is 0.483 that D-Training explains 48.3 percent of the employee motivation in banking sector. Therefore, the hypothesis is accepted. Hence, the result demonstrated that the D-Training has a significant effect on employee motivation in banking sector. Bawa (2017); Khan, et al. (2018); Hossain & Hossain (2012); Niati, et al. (2021) found similar result.

H<sub>A2</sub>: D-Performance appraisal has a significant effect on employee motivation.

The hypothesis was tested in path model. The finding of the analysis demonstrated that the C.R. value is 12.136;  $\beta$  value is 0.382 and p value is significant. The value of  $\beta$  is 0.382 that D-Performance appraisal explains 38.2 percent of the employee motivation in banking sector. Therefore, the hypothesis is accepted. Hence, the result demonstrated that the D-Performance appraisal has a significant effect on employee motivation in banking sector. Bulto & Markos (2017) observed a similar outcome.

H<sub>A3</sub>: D-Training has a significant effect on employee job performance.

The hypothesis was tested in path model. The finding of the analysis demonstrated that the C.R. value is 7.050;  $\beta$  value is 0.236 and p value is significant. The value of  $\beta$  is 0.236 that D-Training explains 23.6 percent of the employee job performance in banking sector. Therefore, the hypothesis is accepted. Hence, the result demonstrated that the D-Training has a significant effect on employee job performance in banking sector.

H<sub>A4</sub>: D-Performance appraisal has a significant effect on employee job performance.

The hypothesis was tested in path model. The finding of the analysis demonstrated that the C.R. value is 6.347;  $\beta$  value is 0.201 and p value is significant. The value of  $\beta$  is 0.201 that D-Performance appraisal explains 20.1 percent of the employee job performance in banking sector. Therefore, the hypothesis is accepted. Hence, the result demonstrated that the D-Performance appraisal has a significant effect on employee job performance in banking sector.

H<sub>A5</sub>: Employee motivation appraisal has a significant effect on employee job performance.

The hypothesis was tested in path model. The finding of the analysis demonstrated that the C.R. value is 12.820;  $\beta$  value is 0.465 and p value is significant. The value of  $\beta$  is 0.465 that employee motivation explains 46.5 percent of the employee job performance in banking sector. Therefore, the hypothesis is accepted. Hence, the result demonstrated that the employee motivation has a significant effect on employee job performance in banking sector. Numerous research has really documented the beneficial impact of employee motivation on job performance (Sulila, 2019; Riyanto, et al. 2021; Hariprabhu Dhakal, et al. 2025).

## 5. THEORETICAL AND PRACTICAL IMPLICATIONS:

The current study is one of several that investigated how employee motivation affects employee performance in relation to digital HRM practices, such as digital training and digital performance reviews. In theory, academics are urged to carry out additional research to investigate how other digital HRM practices affect workers' job performance. According to the study, employee motivation can increase the good benefits of digital training and digital performance appraisal, which are both crucial practices for improving employee work performance. Therefore, to ensure accurate and transparent evaluation of employee performance and to give them prompt feedback on their performance, organizations are asked to save time and money when conducting training sessions using digital methods.

## 6. CONCLUSION:

Based on the findings, it was determined that competent workers are driven to perform their jobs. Conversely, when workers are aware of their performance level, they are motivated to work hard to meet performance goals. Digital performance reviews may be handled more transparently, and digital training can be conducted without regard to time or location constraints. Workers that are motivated perform better on the job. Nevertheless, the benefits of digital performance reviews and training are amplified by employee motivation. Employee motivation, digital training, and digital performance evaluation are now the three main foundations of employee performance.



## 7. LIMITATIONS AND FUTURE WORK DIRECTIONS:

Using a sample of workers chosen from industrial organizations, this study is restricted to examining two digital HRM practices: digital training and digital performance appraisal. To generalize the impact of digital HRM practices, researchers are advised to investigate the effects of other HRM practices on employee job performance utilizing samples from various industries. Researchers could also do fresh study on how digital HRM methods affect employee outcomes like job satisfaction and attrition intention. Additionally, more research is needed to determine how digital HRM techniques affect employee outcomes while taking managers' opinions into account.

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