HR'S ROLE IN DIGITAL TRANSFORMATION

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ABSTRACT

The digital technology is driving change in three key ways Enabling new approaches to delivering HR services. Mobile tools, social media and other technologies make it possible to give employees rich access to HR services, and engage employees on their terms. HR can take advantage of familiar consumer technologies, such as smart phones, to reach employees. It can also take advantage of multiple channels to provide services on an anytime anywhere basis, and integrate channels to let employees use the devices of their choice, seamlessly and interchangeable.

HR needs to adapt itself to be able to deal with internal and external challenges. We envision four business trends that impact the evolution of the HR function: Digital Revolution, Borderless Business, Personalization and Shifting from focus on cost reduction to investing in growth. Digital has been a driving force of change across industries; and the transformation is accelerating. One can measure the pace of digital disruption in months while it takes years for an organization and its people to fully embrace such fundamental changes in the way they operate. Change management is by far the most enduring bottleneck to digital transformation. While technology adoption continues to be top of mind in all digital things, we advocate in this point of view that fundamental changes in leadership and talent attributes are far more critical to successfully embark in the digital journey.

Key words:- *Digital Revolution, Borderless Business, Personalization, internal, external*

INTRODUCTION:

Digital transformation is no longer a niche interest as it jumps out of the tech department and into the boardroom of leaders across industries, sectors and geographies. The current digital age is but a stepping-stone in the evolution of a world enabled by the exponential use of technology in the workplace. HR can use technology to extend its processes out into the organization, enabling employees and managers to perform many of those processes

themselves, closer to the business. This approach means offering more than traditional HR self-service or letting employees manage their own profiles. Instead, it means embedding talent management into the business to involve employees and managers in recruiting, on boarding, performance reviews, learning and the design of career paths.

A GENERALOVERVIEW OF THE DIGITAL TRANSFORMATION AND IMPLICATIONS ON HR:

The digital age is moving at such a fast pace that it is fundamentally transforming the way organizations operate, be it in the private or the public sector, and is requiring them to develop new ways of thinking about service delivery that influence the way operating models are designed. Hence the profound effects on the functions of the Human Resources (HR) departments in these organizations and their role in identifying new approaches to managing people. Prior to diving into the implications on HR functions, it is important to identify selected organizational implications of the digital economy: Increasingly, responsibility is sitting closer to where decisions are most effective .Organizations are becoming flatter and decision-making leaner:.

• Leaders have always focused on outcomes. With the digital transformation, there are technological enablers that make it possible to measure and test the soundness of decisions quickly and easily.

• Mobility and flexibility are crucial for employees to remain relevant in the digital economy. Accordingly, competencies are transferable and internal and global movements are more appealing to both employers and employees. That being said, the HR dilemma no longer lies solely between cost savings and value added. Instead, HR's concerns will soon be revolving around the changing nature of the organization and employees becoming increasingly digital and influenced by the following disruptive themes.

• Digital mega trends, including but not limited to, cyber, data, cloud, social and mobile.

• A multi-generational workforce including Millennials or first-generation digital citizens.

• Merging work and life with hyperconnected employees.

• Emergence of a new set of digitally skilled employees.

• Business models under stress from digital disruption.

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• The employee being perceived as the first consumer of the employer's brand. HR needs to be more pre-emptive with regard to digital transformation as it plays an important role in shaping the organization's digital identity.

IF THE WORKFORCE IS TO CHANGE THE WORKPLACENEEDS TO CHANGE TOO:

The three main areas that HR needs to acquire or strengthen its role in and that are directly related to the success of the digital transformation journey, are outlined below.

Prior to initiating the transformation, the leadership team in any organization must align its thought as to what digital means to the organization and how it will fit into the overall business model. This alignment will shape the digital operating model of the organization that is composed of aggregated future state digital capabilities (i.e., processes, people and technologies). It is HR's role to map the future required digital capabilities and where they should be executed in the organization. Digital capabilities revolve around the following main areas in the operating model:

- **Strategy:** How will digital drive value for the organization? What role does the organization want to play in the digital space? How does it want to win in the digital era?

- **Planning and operations:** How will digital plan, operate, monitor and track value captured?

- **Product or service development:** what are the technical capabilities required for product or service development?

- **Innovation:** What are the capabilities required to drive the innovation needed to meet the strategic objectives of the digital operating model under construction?

- **User experience:** What are the capabilities needed to understand the needs of customers? How will those needs be catered to (e.g., channels, marketing mix)? After defining the capabilities required,

- HR needs to support its organization in linking those capabilities to specific roles and responsibilities. HR would need to follow a structured (yet agile) process covering mainly the following activities Evaluate the amount of work associated with each capability.

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- Determine roles needed based on the evaluated amount of work. Define roles and responsibilities allocated to unique positions. Determine proper span of control that allows for effective, lean and scalable management.

- Following the phased approach of mapping capabilities to roles, HR needs to design an organizational structure that aligns with the said organization's strategic objectives. Based on the designed future structure and positions, HR is then required to assess the gap in talent between the current and future roles and identify creative ways to bridge any gap.

CHALLENGES FOR THE HR IN ORGANIZATION:

The business trends that are impacting HR. Of course, the level of impact will differ per organization but all organizations will need to react on these trends. Based on the impact of the identified trends, we see six challenges that HR needs to solve:

1. Being partner of the business while being ahead of the business
2. Being locally based and supporting a global organization
3. Enabling digital transformation while going through its own digital transformation
4. Being data driven and employee focused
5. Providing standardized and personal service
6. Lowering costs and improving added value

HR plays an important role in enabling digital era in the organization and equipping it with the required essential skills and furthering their leadership characteristics:

Play a critical role in paving the way for the digital transformation and should heavily engage and communicate with key stakeholders (whether internal or external to the organization) in deciding, designing and delivering the digital organization. Digital leaders should set clear costs, risks, mitigations and benefits of the digital transformation and decide on types of change management interventions that are needed to guide the organization through the journey. Hence, leaders should be equipped with the adequate capabilities to be able to lead and manage the journey. HR plays an important role in enabling digital leaders in the organization and equipping them with the required essential skills and furthering their leadership characteristics. Examples of key essential leadership skills that have been deduced from organizations that have undergone **successful digital transformations** are:

- A comprehensive understanding of the digital market.
- A visionary mindset to develop solutions to potential disruption.
- A champion mentality to promote and gain buy-in for digital initiatives.
- Financial acumen to quantify value and return on investment.

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- Business savvy to manage the push and pull tension between cross-functional teams.
- Management capacity to effectively operate the digital team

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CONCLUSION:

We can conclude that the way of operating and the channels used to deliver products and services are critical in providing an answer to the challenges HR is facing. For each paradox the following solutions can be found by increasing the maturity of the three interrelated focal lines. Evidently, digital is impacting every industry and every organization. That said, managing the digital transformation will affect which organizations will survive and which will not in the era of the digitization rush with the digital transformation.

However, agility and scalability are key as a state-of-the-art digital organization is one that continuously revamps its internal capabilities. HR functions have a vital and critical responsibility to lead the change and translate strategic objectives into competencies that are constantly revived to keep up with business challenges and market trends. Hence every pillar in an organization is expected to play its role to contribute to a successful journey.

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