

HRM 4.0: High on Expectations

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ABSTRACT

Technological changes in the business world have made it obligatory for the traditional human resource department to make crucial changes to its repertoire of working style and transform to HRM (Human Resource Management) 4.0 and make changes to its image to attract and retain talented employees. This review has brought forth the rewards and challenges of transforming HR from its traditional model to the new HRM 4.0 module. The rewards range from acquiring a talented and more productive workforce, which can be inducted and trained effectively at a low cost using AI technology. The challenges are manifold where the employer and its HR department need to rebrand its self to stay relevant

Keywords: HRM 4.0, Technology, Business Analytics, Artificial Intelligence (AI)

INTRODUCTION

"4.0" means the fourth industrial revolution characterized by three main elements i.e. increased use of the internet, an overview of artificial intelligence, and automation (Schwab, 2016). HRM 4.0 is the impact of these technological changes on Human Resource Management practices.

Traditionally, human resource management had four main aims: finding the right staff and developing their skills; outline an organizational structure that enhances productivity; improve communication and coordination within the organization; inculcating wider ethical and societal developments. This has evolved to a more "Digital: HRM", the department has now to train "digital employees" with "digital tools" i.e. with new competencies and tools and has to create a "digital organizational culture" to enhance productivity (Strohmeier and Parry, 2014).

To bring about change in its organizational culture according to HRM 4.0 there has to be an element of agility i.e. the organizations and the workforce have to adapt to continuously changing environments, for example, data analytics and integration into supply chains, etc. The workforce can be motivated towards change by giving them training in the HRM-4.0 methodology; inculcating teamwork and information; having a reward system to endorse involvement and agility in the workforce (Chen et al., 2015; Spanaki et al., 2017; Haneberg, 2011).

An agile organization has the following components: it is customer-driven and responds quickly to opportunities and threats (Van Assen, 2000); it has inherent leadership qualities and trusts its workforce and encourages the workforce to make the most of their implicit knowledge (Nold, 2012) and has innovation as its base which drives better decision making and instructs better organizational learning (Hamel, 2012). Therefore this review is going to explore the HRM 4.0 rudiments and its expectations in the present organizational culture.

LITERATURE REVIEW

Lack of skilled staff

Due to digitization, there is a lack of skilled staff to keep up with the transitioning process which has affected supply chains (Keynes, 2010; Gowen Iii & Talon, 2003). These employment scenarios are multidimensional and pinning down the exact cause is difficult (Evangelista et al., 2014). For example, it was found that 30% British; 47 % American; sixty thousand workers from China in 201, are under increased risk, for the next 20 years due to digital revolution like introduction of robots, rearrangement of activities, influence of new business models, reinvestment in new products, equipment and services (Elliot, 2017; Berger, 2016).

Educational Modifications

Due to technological modifications, IT knowledge and its management are going to be key elements for increased innovation and digitization and there is going to be a tussle between machines and humans for knowledge-intensive jobs in the fields of automation, machine learning, artificial intelligence (Benesova and Tupa, 2017). In the future, HRM 4.0 will have to focus on a new model as compared to the traditional one where IoT, Big Data, AI will automate

a large amount of the HR process itself ensuing better HR teams. This will influence the human-associated themes across the industry such as educating and training recruits with appropriate skills (Harkins, 2008). The leaning and training of the future will be virtual learning environments (VLE's), Augmented Reality and Cobots (service robots along with the human teaching (Calitz et al., 2017)

Workforce Developments

Technological changes of the business 4.0 will compel the organizations to adopt new management protocols such as adaptive training, appraisals rewards to employees in the ongoing external tendencies such as competitive forces from technological changes (Jackson et al., 2014).

Employer Branding

This term is coined because Industry 4.0 with its automated HRM 4.0 will have to brand itself to attract better talent. The term means- *"a long term strategy to manage awareness and perception of employees, potential employees, and related stakeholders with regards to a particular firm"* (Sullivan, 2004). A robust employer brand is that in the future and existing employees will want to work in a particular organization due to its image and reputation. This term in reality takes on principles of psychology, marketing, and HRM and generates a value-based assumption in the minds of the present and potential employees to assimilate into the organization's culture with a sense of belonging. (Thompson and Bunderson, 2003; Edwards 2010). This value differentiates an organization from the others in the market i.e. it's just like this-corporate brand stands out to influence consumers and employers brand does the same, but for potential and present employees (Backhaus 2016). Employer branding spells growth in career, caring and credible atmosphere, and supple, ethical, and vesting global exposure.

Positive Brand image and its social media savvy employees are a part of the whole HRM 4.0 package (Cascio, 2014). Organizations need to have a factualist approach where talented employees are a crucial element rather than a fatalist where talent is not a sought after feature. Only factualist organizations will be able to attract new talent in the future (Universum Global, 2014). As the generation born after 1980 is more technologically savvy they have different expectations at the workplace ranging from an open ethos, decisions based on data, immediate feedback, collaboration oriented etc. henceforth it will be challenging for HR 4.0 to identify and retain such employees endowed with technology (Helsper and Eynon, 2010)

HRM 4.0 NEW Methods of Working...

Job searches by the new generation are via the internet and the companies with the help of Big Data can segregate among volumes of resumes to get to the new candidate quickly and at a lesser cost. AI Chabot's can enable initial online interviews and Augmented and Virtual reality helps recruits joining the company with a comprehensive layout of the company culture inducting them into the first day at work. AI can help the new employees in virtual training, individual targets they are supposed to attain, feedback of their performance, promotions based on achieved targets and not seniority, smart devices to check their health, performance appraisal, etc. using People management software (Paul and Ananthraman, 2004). Thus the concept of employer branding leads to an improved product image that appeals to the employees; attracting higher ability endowed and dynamic employees, giving the organization a more viable advantage (Wright et al., 1994).

In summary...

- To stay relevant and grow in dimensions economically and culturally the industry 4.0 has to be inculcated into the HRM 4.0 with a customized strategy to make effective decisions and a robust process to deal with the employee concerns.
- Employer branding will help to attract and retain talent which will be profitable to the organization in the long run.
- To be a brand that the company can reckon with, the marketing department can help externally to boost the organizations image (Edwards, 2010).
- AI has helped the HR department by making the whole process efficient, cost-effective, and faster.
- The core value and philosophies of an organization's culture produce high-performance work by its employees (Lawler et al., 1992).
- Managerial trust in its employees results in long term employment of talented employees with better organizational performances (Miles and Snow, 1984)

CONCLUSION

This review has brought forth the rewards and challenges of transforming HR from its traditional model to the new HRM 4.0 module. The rewards range from acquiring a talented and more productive workforce, which can be inducted and trained effectively at a low cost using AI technology. The challenges are manifold where the employer and its HR department need to rebrand themselves to stay relevant.

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