HR Digital Transformation

The "What, Why and How" of HR Digital Transformation

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HR Digital Transformation

❖ **"What" is HR Digital Transformation?**

▪ Digital transformation is a revolutionary change but also an evolutionary phenomenon. In addition to digitization, the transition to business with technology at its center also entails a shift in the culture and mindset of an organization.

▪ HR digital transformation is the transformation in the way HR functions through changing operational HR processes to become automated and data-driven. It is an integrated, aligned, innovative, and business-focused approach to redefining how HR work is done so that it helps the organization deliver on promises made to customers, investors, employees, and other stakeholders.

❖ **"Why" HR Digital Transformation:**

▪ Digitalizing HR help in improving effectiveness in decision making and build HR workforce for the future through its new capabilities.

▪ Digital transformation aims to create an agile organization that is ready to change as technology keeps advancing. Technology will always be ahead of the curve as organizations try to catch up. The absence of this agility can be one of the reasons why your strategies fail.

▪ The "Why" of HR digital transformation may be multifold:
  • Automating processes and reduce the time spent on repetitive tasks.
  • Using the freed-up time to strategize and ultimately benefit the business bottom line.
  • Maximizing the employee experience.
  • Getting ready for the new-normal workplaces were using digital platforms is a way of life.

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❖ **The "How" of HR Digital Transformation:**

▪ **Digital Vision**
First of all; you need to develop a clear and compelling vision of the future desired digital state. Articulate the change strategy with the Management team, involving others within and outside the organization as relevant stakeholders.

▪ **Assessment**
Critical questions to ask before triggering your digital transformation journey like "How ready is the organization for digital transformation? What are the key change agents and where is resistance most expected? What priority does the current organizational structure and job design give to digital?"

▪ **Roadmap for Change**
The key areas of focus:
1) **Technology:** what types of digital technologies?

2) **Investment:** what financial investment is required, what is the estimated return on investment?

3) **Skills:** what skill acquisition and development is needed, for whom, at what level?

4) **HR Organization:** which changes are needed in HR jobs and how teams are organized and managed?

5) **HR Processes:** what changes are needed, if any, in how people are hired, trained, managed, rewarded or assessed in the light of the new digital vision? How should success be measured?

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- **Implementation**
  The vision should be effectively and continually communicated. Top leadership should own and sponsor the digital transformation project, and involve a wide group of employees in the Implementation details and mechanism.

- Resistance to change should be allowed, listened to, and used to generate valuable and compelling discussions which illustrate the benefits of the change.
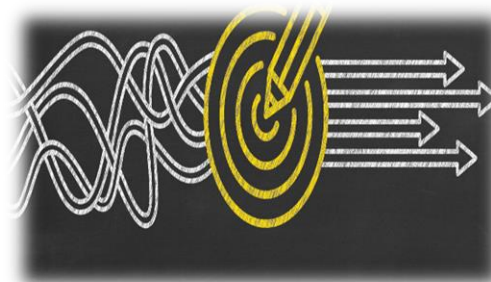
- **Digital Leadership**
  HR leaders will play a critical role in identifying digital leadership skills and the traits needed, as well as in providing evaluation tools and development programs. This way HR enables the company's leaders to work towards developing this digital skill set and qualities.

- However, tomorrow's leaders will need to perform a balancing act in the way they use all their skills. Digitally enabled organizations are more likely to thrive with a 'light-touch' leadership that enables, encourages, fosters innovation and accepts change as constant. At the same time, these leaders must still shape, guide and direct the team. They will have the added task to find their own ways to achieve this balance within their teams.

- **Transform the Organizational Culture**
  Is one of the most critical changes that HR leaders will be charged within a digital transformation project. It will not simply be a case of tweaking job descriptions and hiring a few new people.

- The challenge for HR leaders will be to harness digital technology in developing new ways to recruit, manage, organize, assess, reward and retain the talent needed to drive the digitally enabled organization.

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- **Digital Talent Skills**
  An embedded learning culture will be a prerequisite to make sure that skills and knowledge are continually updated. Online learning tools and communities empower employees to manage their own development, providing access to content, expertise and online communities of support.

- The digital age will see more people acquiring more digital technical expertise, but even more importantly, skills such as concise communication, analysis, facilitation, using data to innovate, and managing change will lead to success.

- **Measure Success**
  To what extent has the digital vision outlined been achieved? How fully have the business outcomes outlined been achieved? What is the return on investment over the period?

- Addressing such questions through this type of rigorous discipline will indicate the extent to which the digital transformation has succeeded. Similarly, it will also point to those areas which need continued effort, focus and improvement.