

How to Promote the Digitalization of Human Resources Management

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Abstract. With the gradual penetration of technology into various fields and the rapid changes in the market environment, enterprises are forced to promote the process of digital transformation. Being one of the most important parts of an enterprise's management system, human resource management also being as a key point of digital transformation. However, in the way of the transition of human resource management, many companies ran into difficulties. This paper will focus on five parts of the problems of promoting the digitalization of human resource management from the internal system and external environment and give some suggestions on the problems. This paper proposes that if one wants to provide strong support for the systematic transformation of the enterprise, the digital transition of human resource management should be combined with the actual situation of the enterprise, mainly focusing on people-oriented and fully optimizing the institutional structure, so as to release the employee initiative to adapt to the market of the digital age.

Keywords: Human Resource Management; Digital Transformation.

1. Introduction

With the intersection of science and technology, production and life, there has been an explosive growth of data, and people have entered the digital age. In this era, the rapid development and wide application of digital technology have given birth to the digital economy, according to a white paper titled "Working Together to Build a Community of Shared Future in Cyberspace" published by The State Council of China, by 2021, China's digital economy will have grown to 45.5 trillion yuan, or 39.8 percent of GDP, and will be one of the main forces fostering economic growth. The people, being the main driving force of economic development, used to realize their role through various organizations, mainly enterprises. As a bridge to connect organizations and people, human resource management is an important way to promote people to realize their own value. Traditional human resource management needs to rely on clear strategic goals, a stable organizational structure, and stable personnel management to be effective [1]. However, the coming of the digital age is making it more difficult for those conditions to emerge. So companies need to promote the digitalization of human resource management to help people to better achieve their value in the digital era. This paper will help to figure out barriers in the way of digital transitions and give some suggestions as a reference on it.

2. The Concept of Digital Human Resource Management

To practice this promotion, people need a clear understanding of digital human resource management. Digitalization is to create a predicted panorama of enterprise operation, customers, products, and market changes through the application of cloud computing, big data, artificial intelligence, and other new technologies in order to help improve the level of enterprise management and operation [2]. The concept of digital human resource management is developed based on the potential logic of digitalization. Digital human resource management is to create a new human resource management operating mode, increase the effectiveness of human resource management, and strengthen business organizational ability by making use of digital technology to collect, evaluate, and apply all relevant human resource data [3].

In addition to its functional logic, digital human resource management also has five characteristics that are different from other periods, namely, data-driven human resource management activities,

complicated management, portable management, precise management, and customized management [3]. These five characteristics not only concluded the uses of data in digital human resource management but also illustrate the advantages brought by it.

3. The Difficulties of the Promotion

The digitalization of human resource management has gone viral in the past few years. However, there are still some difficulties and challenges in the transformation because the transformation is still in the preliminary stage. This part will list out these difficulties and challenges below to provide some thinking directions based on the analysis of digital human resource management's functional logic.

3.1 Ignore the Importance of Human Resources Management

In the traditional view, the human resource department can not directly create value for the enterprise. Human resources management is thought to just be a tool for managing people, primarily in charge of administrative tasks and day-to-day staff administration, which is useless to promote operations and production [4, 5]. As a result, most part of the implementation process of the human resource management system does not match the strategic planning of the enterprise, resulting in relatively little support and relying more on other business departments to realize digital transformation.

3.2 Lack of a Deep Understanding of Digitization

There is an old saying that practice makes perfect. In fact, this "practice" can not only be understood as the state of proficiency in repeating the same thing over and over again but also should be understood as a deep understanding of some things. Only really seeing the importance of things and the objective overall, can better understand the problem and naturally find a solution to the problem. One of these obstacles arises precisely because of the lack of a deep understanding of digital transformation within the enterprise. Because organizations lack a comprehensive and correct grasp of digital transformation, the transformation fails to improve the strategic level, establish clear strategic guidance, and maintain a high degree of unity[5]. In addition, due to the rigid thinking tradition or weak foundation, some enterprises are difficult to adapt to the digital development mode or fail to choose the right entry point, which leads to ambiguity in the subsequent application direction and difficulty in generating corresponding value.

3.3 The Traditional Organizational Structure will Hinder the Efficiency

One core of digital human resource management is to put employees in the first place, change the management logic from "strategy-organization-talent" to "strategy-talent-organization", use digital technology to promote organizational reform, fully release human's potential power, so as to better improve management efficiency and achieve organizational goals [1]. This transformation was based on the new relationship between people and organizations in the digital era. In the new era, platforms provide by organizations are no longer the only platform for people to realize their own value, and people can show their value through platforms such We-Media. The status of management has shifted from "strong organization, weak individual" to "strong individual, the strong organization" as a result of the variety of options available to people in this century [6]. Therefore, in this new era, human resource management must change from one of control to one of empowerment, and businesses must provide a platform that fosters the exchange of skills.

However, the most common structure now enterprises have is a linear organizational structure that was built to chase stability. This simple structure will have a clear responsibility for dealing with the work of enterprises. Meanwhile, it will cause bureaucracy, thus lowering the initiative and creativity of people. Chasing for stability and reducing enthusiasm and creativity, notwithstanding, are inappropriate for digital human resource management because the coming of the digital age causes

the market to move in a more erratic direction. So enterprises need to be more flexible to release the creativity of staff.

3.4 The Deficiency of Digital Talents

There is no gainsaying that people are the core elements of enterprise development. In the digital era, digital talent is the essential component of all digital transformation. However, in the next five years, cloud computing projects are predicted to require close to 1.5 million engineers, close to 1 million installers, and close to 50,000 debuggers, according to the July 2020 Report on the Development of Online Learning Platforms for New Careers. It is clear that China has a significant skills gap in the digital era. Digital human resource management is also closely related to technologies like big data, blockchain, artificial intelligence and etc. So we need more employees who are capable of providing digital goods or services those who are knowledgeable about and skilled in using the current generation of information and communication technologies [7].

3.5 The Lack of Decision Data

The term "digitalization of human resource management" refers to the development of an integrated digital workplace using the latest digital technologies, including big data, cloud computing, mobile Internet, and artificial intelligence. It also refers to the understanding of the current state of affairs and issues in human resource management, as well as the use of intelligent analysis to assist organizations in making rational decisions about human resource management. Therefore, data is a basic resource in the process. However, traditional human resources work frequently involves manual calculation and evaluation for decision-making, which creates the issue of incomplete data produced by human resources management and is easily able to impair the scientific nature of corporate decision-making. In addition, due to the characteristics of HRM, many enterprises fall into a situation of "not daring to turn" when promoting the digital transformation of human resource management [5]. In order to facilitate digital transformation, human resource management, therefore, relies more on other business units and is seen as a cost center with no corresponding support [5].

4. The Suggestions for Solving these Difficulties

To better solve these difficulties and challenges and improve the efficiency of transformation, this part will provide some suggestions on four parts based on the thought of people-oriented and six modules of human resource management.

4.1 Promote a Flat Organizational Structure

In the process of digital human resource management, the key has transformed from restraining employees to empowering employees [6]. Employees may better grasp their autonomy, improve their sense of ownership and self-driving force, engage actively in learning and growth, and provide more value to the enterprise by being empowered from the executive level according to their roles. Nonetheless linear organizational structure is in common use by most companies. To better achieve the digitalization of human resource management, encouraging the organization's structure to be flatter is a needful step in the process. Because the framed structure system created by a flat organizational structure will make the lower and the higher levels faster and easier, and it is now thought to be the most suitable framework for achieving the digital transformation of human resource management.

4.2 Complete the Recruitment and Training for Digital Transformation

In the digital age, the market changes more rapidly, in order to accelerate companies' better adapt to the market changes, human resource management apartments have to release the potential power of employees. For the stimulation of employees' creativity, in addition to optimizing the company's organizational structure, the recruitment and training of employees are indispensable. Employees in

this era are more in pursuit of personality display, companies need to find the balance of requirement goals between enterprises and employees. This balance can be achieved from two aspects. The first aspect is to optimize the recruitment goal to avoid blind recruitment and perfect the structure of human resources. Enterprises should focus on the knowledge structure and age structure of their human resources instead of trying to increase employee flow to fulfill the demands of optimizing the talent structure of their organizations [4]. The second aspect that needs to innovate is employee training. Enterprises should pay more attention to the quality of digital training resources and the time spent on them to stimulate the interest of employees and enhance the practicability of the knowledge. Promoting employees to continuously improve the digital literacy required in the era of digital change is conducive to promoting the digitalization of human resource management, reducing management costs, enhancing the strategic value of human resource management, and enhancing the agility and flexibility of enterprise management [8].

4.3 Perfect the Construction of a Digital HRM Platform

This perfection needs to be completed from two aspects.

The first perfection is data that is directly used in digital human resource management activities. It is essential to create a human resource information system that conforms to the actual situation of enterprises, which is a material basis for the digital transformation of human resource management. Since both internal and external environments might provide data for human resource management, organizations should first define the scope of such data. Therefore, enterprises should first define the scope of data needed for human resource management, which can come from both internal and external environments. To the basic information of employees, work situation, data collection, analysis, and evaluation efficiency to form an intelligent management system. Second, the classified management function of human resources should be given prominence. To enable the quick extraction of information for subsequent management, it is vital to identify and categorize various categories, levels, and positions using labels while building a human resource information system. This action will provide solid technical support for the digitalization and intellectualization of human resource management.

The second perfection is manners to help protect data. Data privacy is crucial for effective digital human resource management. Recent years have seen a diversification and growth in the destructive informational systems that affect software as a result of the advancement and dissemination of modern technologies. Since the early 2000s, ransomware has been a powerful tactic in the arsenal of online criminals [9]. The digital economy introduces new and possibly unknowable threats through cloud computing, while the digital transformation of existing businesses reaches customers through physical offices and retail. Any sort of organization, from governmental institutions to small businesses, may run into serious problems with system threats, system vulnerabilities, and data security. Therefore, any innovations must be carefully considered as they may ultimately fail to meet security requirements. In addition, organizations need to implement strong data management, communication of network security policies across the organization, and effective access and data protection controls.

4.4 Coordination the External Consultants and Internal Executives

Human resource management is being digitally transformed, which is a very complicated and organized process. The assistance of outside advisors is required because human resource management is challenging for an enterprise's founding internal experience to serve as the norm for all practices [10]. The benefit of using external consultants is that they can impart knowledge about digital transformation and direct internal executives to create a comprehensive set of solutions because they have practical experience guiding other businesses through the process as well as a systematic understanding of it. Executives within the company design and implement solutions. They are actual solution implementers and have the advantage of being knowledgeable about their business and industry. It is difficult for the plan to accurately reflect the enterprise's current reality without the

involvement of internal executives, and without their support, no matter how excellent the plan is, it is a blank piece of paper.

5. Conclusion

Based on the analysis of this paper, it is easy to find that the digital economy has deeply penetrated every part of the social economy and influenced the development of different industrial fields obviously. Therefore, many enterprises are promoting digital transformation to better suit the digital economy age. However, many enterprises ignored the digital transformation of human resource management due to various factors in the transformation process, such as not being able to transform, or not daring to transform. However, the disadvantages of the traditional human resource management mode have gradually become prominent, and the digital wave has been unstoppable. Only by grasping the new opportunities of digital development, enterprises can make great achievements. To better solve the problem that impedes the digital transformation of human resource management, this paper analyzed the core influence factor of digital human resource transformation based on the new pursuit of people's personal development in the digital age and the current situation of the market in the digital age environment, which is people-oriented and empowering employees. And this paper analyzed the organizational structure, enterprise transformation consciousness, digital talent, digital tools, and other obstacles to the empowerment of enterprise employees from the internal structure of the organization to the external environment. In view of these obstacles combined with the six modules of human resource management, this paper puts forward the optimization suggestions for enterprise organization structure, talent recruitment and staff development and training, the digital platform of human resource management, and the combination of internal and external opinions. The research results of this paper are helpful to enhance the attention of enterprises in digital transformation to the digitization of human resources management and provide direction for enterprises to implement the digital transformation of human resources.

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