Modern HR Trends in the Conditions of Digitalization

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Abstract—The current trends of intra-organizational changes are considered from the point of view of the introduction of digital technologies that contribute to improving the efficiency of work processes. Business priorities are highlighted and their impact on HR processes is considered. Modern HR trends have been identified. The analysis of the use of digital technologies in the field of HR is carried out. An overview of successful practices of implementing digital technologies in the HR field is presented. Experts have identified the prospects for the development of HR processes, taking into account the introduction of new digital services and tools.

Keywords—digital technologies, digitalization of HR processes, HR trends, HR Tech.

I. INTRODUCTION

Today, digital technologies are being transformed, improved, expanded, combined in a global network and cover all spheres of human activity. The report "Technological Trends of 2022", compiled by the consulting company Deloitte, reflects the dominant digital technologies that emerged in 2022 [1]. It is noted that the exchange of protected data between ecosystem participants is simplified, which accelerates the passage of the value chain and leads to the emergence of new business models and products.

Software vendors and system integrators are developing a number of cloud solution services optimized for use in industry verticals. These services can be easily adapted and used by companies to transfer business processes to the cloud to gain flexibility and achieve efficiency in their activities.

Blockchain technologies are already finding their application in production and in business, radically changing the nature of business processes in the external environment of the company. This helps them create and manage "identity, data brand, professional certificates, copyrights and other tangible and intangible digital assets".

The creation of artificial cyberintelligence (Cyber Ai) will allow not only to respond quickly to cyberattacks, but also to act ahead of the curve, identifying anomalies and speeding up data analysis to detect threats.

Modern companies are obsessed with the idea of improving the efficiency of work processes. The high level of development of digital technologies allows you to reduce the volume of routine processes. "The spread of automation and artificial intelligence makes it possible to abandon human labor where routine adherence to algorithms or mediation between systems is required" [2]. These general trends have a significant impact on the specifics of working with staff. If the machine takes over routine processes, then the employee has resources for creativity, communication skills, analytical thinking and the ability to solve non-standard tasks.

Today the HR Tech market is actively developing. According to Fortune Business Insights [3], the volume of the global HR Tech market is continuously increasing and amounted to $22.9 billion in 2021, and $24.0 billion in 2022. Steady growth is also observed in the Russian HR Tech market. According to Cnews Analytics estimates [3] in 2021, the revenue of 20 leading companies-suppliers in the HR Tech sector amounted to 5.1 billion rubles.

Digitalization permeates all areas of human resource management from the search and hiring of employees to monitoring the quality of management processes, performance indicators of their work, the formation of an individual trajectory of development and training. All this requires the introduction of innovations in the processes of personnel labor management directly through the transition to digital technologies and automated and expert systems, the creation of systems for processing large amounts of data, virtual training of employees, providing remote work format, electronic document management, the use of artificial intelligence [4].

It is necessary to consider the level of need for the introduction of digital technologies into the personnel management system of modern companies. Highlight HR processes that are successfully automated. Identify HR processes that need automation. Consider the requirements of companies that apply to the automation of processes in working with human resources.

II. MATERIALS FND METHODS

The purpose of the study is to identify trends in working with personnel using digital technologies in the context of their capabilities to improve the efficiency of human resource management of the organization. The object of the study was Russian companies, and the subject of the study are digital technologies in the HR field. The methodological basis of this study is a critical analysis of the scientific literature and secondary empirical information necessary to achieve this goal. Successful practices of using digital technologies in the implementation of personnel management functions of organizations are analyzed.

The practical significance of the study can be determined by grouping modern trends in the field of personnel

management and describing new digital services and tools that help to use and develop the organization's human resources more effectively.

III. DETAILS

Let's consider the factors of indirect influence that form the conditions of uncertainty in which modern economic entities are forced to function (on the example of Russian companies). External factors include: socio-economic (inflation, competition, logistics, unemployment, social restrictions (pandemic), government support, etc.), environmental (limited natural resources, green technologies), technological (import substitution), political (sanctions), regulatory (legislative and by-laws), digitalization (introduction of digital platforms). The prevailing conditions determine the business trends of modern companies.

The consulting company "Business Solutions and Technologies" has prepared an analytical review "HR Trends - 2023" based on the results of the Deloitte Global Human Capital Trends study over the past three years and according to the Fintech Association [5].

The analysis carried out by experts made it possible to determine business priorities and their impact on HR processes.

The main business trends of companies are, firstly, the acquisition of new customer experience by building a customer-centric business according to the "everything as a service" model. Secondly, the implementation of the transformation of the business model through the construction of a network of services around customers based on a single technology platform. Thirdly, digitalization of processes through independent domestic technological infrastructure and provision of critical systems with protection against a wide range of cyberattacks [6].

In the current conditions, there is a blurring of the boundaries of HR as a separate business function and the active introduction of personnel management processes into business processes. Experts note that a combination of external and internal factors have determined the place of HR as a driver of business transformation.

Let's consider the challenges that a modern HR system of a company should be ready to answer:

1. Formation of scenarios of the need for the necessary skills, the pace of automation, the relevance of certain forms of employment;

2. Maintaining business continuity in terms of providing personnel with critical functions;

3. Ensuring the disclosure of the potential of employees;

4. Formation of a positive employee experience by switching to the HR product model;

5. Planning and implementation of activities with care for employees;

6. Optimization and automation of HR processes based on Russian technologies.

According to research results, 62% of Russian participants are confident that the role of the HR service is increasing and its functions will cover all issues related to personnel management without exception [6].

The need to revise the business strategy and business model determines the vector of changes in the HR sphere as a response to new challenges: awareness of current business needs; participation in the analysis of best practices; updating the goals and objectives of Talent strategies and their compliance with new business priorities; drawing attention to the processes of retaining key employees; maintaining corporate values and principles.

As part of solving issues of maintaining business continuity, it is necessary to provide critical functions with personnel. This requires: the development of staff planning/redistribution based on the use of external and internal analytics; the development of an organizational mechanism for outplacement, expert support of employees in case of redundancy; the development of remote interaction technologies (corporate portals, applications, corporate messengers and social networks); identification of personnel with critical competencies for the company, formation of a talent pool with key skills, personnel reserve and succession programs; development of mobility programs, internal and external marketplaces.

As part of solving the issues of ensuring the disclosure of the potential of employees, it is necessary to: determine the TOP 3 key competencies and skills that are critical at the moment; check the relevance of the existing competence model (whether emphasis is placed on the knowledge and skills in demand at the moment); analyze existing personnel training and development programs (whether they meet current business needs); develop leadership and change management skills among managers; to form a plan for the development of a local knowledge base, to consider the possibilities of interaction with knowledge bases available on the Russian market.

As part of solving the issues of forming a positive employee experience by switching to the HR product model, it is necessary to ensure the cooperation of HR with IT and other interested departments to develop products that increase productivity and develop a positive employee experience. It is necessary to use the ideas of your employees, giving feedback about the organization of the workplace, about remuneration and benefits to develop new approaches and improve the work experience. A number of companies have redesigned their applications for onboarding and adaptation, recruitment and self-service of employees. Recommendations for this direction: to develop interaction skills within flexible, cross-functional teams that support an iterative approach to working on a product; to segment staff, focus on specific needs in the work of target segments; "... not just to observe the end user, but also to involve users in the design process itself, using design methods thinking, MVP".

Planning and implementing activities with care for employees builds a culture of Wellbeing. Solving the problems of developing communications and ensuring the relevance and accessibility of information, fine-tuning corporate well-being programs, supporting the emotional and mental health of employees will help to increase the human-centricity index of the company [7].

Let's consider the recommendations of experts on optimization and automation of HR processes. According to the Competence Center for Import Substitution in the Field of Information and Communication Technologies (ICT) and the Association of Software Developers, the demand for Russian software solutions increased 10-fold in 2022 [6].

At the moment, Russian companies face themselves challenges, firstly, fast changes in automation processes to free up and redistribute HR service time to support business,

and secondly, fast changes for an immediate and complete transition to Russian software (in the case of a fragmented transition, there are risks of production efficiency and security).

As part of solving the issues of automation of HR processes based on Russian technologies, it is necessary to: audit existing HR processes, assess their maturity and potential for automation; launch the vendor selection process in close cooperation with IT in order to determine the optimal alternative to existing foreign software corresponding to the maturity level of the company's HR processes; analyze the data stored in current systems for the necessity / priority of transferring to a new system; take into account the voice of the "internal client" when evaluating the functionality of alternative IT solutions; take into account the single trend towards Zero HR (maximum focus on self-service services) when choosing a system.

Let's consider the level of automation of HR processes in Russian companies. In 2019, the international recruitment company Hays in Russia conducted a "Study of IT technologies in the field of HR" [8]. 487 Russian and international companies took part in it. According to respondents, the main areas of HR in which automation should be implemented today are personnel accounting and administration (72% of respondents noted them), working time accounting (66%) and HR analytics (61%). In practice, 78% of companies automated the HR accounting and administration unit. Automation of working time accounting is implemented in almost half of the surveyed companies. Only 34% of the surveyed companies have automated the analytics block. As well as 40% of the companies participating in the survey have already implemented an automated compensation and benefits system. The recruitment unit is automated in 41% of the surveyed companies. The personnel assessment, adaptation, training and development unit was automated by 34% of respondents. Automation systems of internal communications are used by 46% of companies today.

Let's consider the requirements of the companies participating in the Hays survey for digital automation systems of HR processes. The absolute majority (100%) of respondents believe that they should save time, minimize manual data entry, and quickly prepare and upload reports. 93% of companies say that an ideal digital service should be convenient in terms of usability, 88% say that it should cover all personnel processes. 79% of respondents are you sure that it should build a single database, and another 50% want it to be available on all devices [8].

According to hh.ru and CleverStaff platforms automation of work processes are carrying out using collaboration platforms, self-service platforms, messengers and social networks [6].

It is noted that in HR processes for the selection and adaptation of personnel, ATS systems, chatbots, mobile applications, VR technologies, podcasts, marketplaces are used. Knowledge bases, LMS/LEP (Learning Experience Platform), micro-learning, machine learning, gamification and integration with career paths are used in HR processes of training and staff development. Analytical systems, instant feedback technologies, pulse surveys and Organizational network analysis are used in HR processes for planning, evaluating activities and rewarding staff.

IV. RESULTS

It is possible to note the successful experience of solving the issues of automation of HR processes on the example of one of the Russian banks. The Happy Worker program was developed and launched, aimed at rethinking the entire digital experience of an employee as an internal client. The program is aimed at creating a system that includes an employee's personal account to receive automated internal services necessary throughout the entire cycle of work in the bank, a new intranet portal, digital tools for interaction with managers and colleagues.

About 20 services have been created and launched. Employees can view the pay sheet any time; ask a question to the bank; share their idea of improving work; submit an electronic sick leave; apply for benefits; apply for leave, view the vacation schedule; order a certificate, a copy of the work book; temporary or permanent pass to the office and more. For managers, the service also presents a number of opportunities: viewing the staffing table; submitting an application for selection, admission of a candidate; personnel reporting and more [9].

However, digitalization of HR processes has not only advantages, but also certain risks.

Among the disadvantages, experts note the relatively high cost of implementing digital technologies. Some organizations do not have enough budget for modernization and automation of HR processes. However, it should be noted that the costs of digitalization should be considered as long-term investments that will not only pay off, but also bring profit to the business in the future. Another disadvantage is the risk of job cuts due to full automation of work processes. Job cuts due to automation of company processes can give an impetus to employees for retraining or advanced training. There is a problem of developing and implementing this program, and there may also be resistance of employees, in particular the older generation, to changes and insufficient motivation of staff to master the competencies of the digital economy and participate in the development of digitalization of the organization [10].

Companies that have automated workflows, they note the properties that interfere with the operation of automated systems: limited functionality, an outdated version of the program, high cost of systems, an inconvenient interface, as well as the need to refine the system for their business and the inability to fully adapt it to their tasks.

V. CONCLUSIONS

According to the results of the study, it can be concluded that the use of digital technologies in the process of human resource management is effective and allows you to organize a convenient digital environment for staff. Also noted the reduction in the complexity of the implementation of HR functions; acceleration of managerial and personnel decisions; improvement of the quality of analytical data; the ability to forecast for the current and strategic periods; coverage of employees located at different locations; access to modern technological solutions and personal development planning opportunities is just an incomplete list of Digital opportunities for improving the efficiency of personnel management.

Experts say that over the next decade, quantum technologies will transform not only computing, but also

perception and communication. The next-generation artificial intelligence technology will be exponential intelligence, which is able to understand human emotions and intentions.

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