
HUMAN RESOURCE DEVELOPMENT TO FACE THE DIGITALIZATION ERA

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Abstract

This research examines the urgency of human resource development (HR) in facing challenges and opportunities in the digitalization era. Digital transformation fundamentally changes the way organizations operate, so it demands adjustments to HR strategies to remain relevant and competitive. The main objective of this study is to analyze how organizations can adapt HR development programs, including training, recruitment, and talent management, to build the capabilities needed in the digital age. The research method used is a qualitative analysis of cases of digitalization implementation in various industrial sectors. The results show that digitalization requires not only technical skills (eg, data analysis and artificial intelligence), but also non-technical skills (soft skills) such as adaptability, critical thinking, and collaboration that are key to success.

Keywords: HR, organization, digitalization, industry

Introduction

Rapid technological developments have pushed the world into a new era marked by digitalization in almost every aspect of life, both social and economic. This transformation, often referred to as the Fourth Industrial Revolution (Industry 4.0), is fundamentally changing business models, work processes, and the labor market landscape. Organizations are challenged to adapt to these changes to remain relevant and competitive. (Schwab, 2016,.) However, success in navigating the digital era depends not only on technology adoption but also on the ability of human resources (HR) to manage and utilize it effectively.

Digitalization is creating a widening skills gap. Routine and repetitive jobs are increasingly being replaced by automation and artificial intelligence, while demand for new skills such as data analysis, machine learning, and critical thinking continues to rise. (World Economic Forum, 2020) This phenomenon demands a paradigm shift in human resource management. The HR function is no longer limited to administrative tasks, but must act as a strategic partner responsible for developing employee capabilities to align with the organization's future needs. Therefore, human resource development is a crucial factor for organizational sustainability. Training and development programs that previously focused on traditional skills must now be overhauled to equip employees with digital literacy and non-technical skills such as adaptability, creativity, and collaboration. (Deloitte, 2019, n.d.).

The purpose of this research is to analyze how organizations can adapt human resource (HR) development strategies to build the capabilities and competencies needed in the digital era.

Human Resource (HR) development in the digital era is no longer merely an option, but a strategic necessity for every organization to remain relevant and competitive. Digitalization has fundamentally transformed the business landscape, requiring HR to possess new skills and mindsets. Theoretical studies on this topic generally refer to several key interrelated concepts, including:

- **Key concepts in human resource development**

1. Digital Literacy and Technical Skills
2. Non-Technical Skills (Soft Skills)
3. Lifelong Learning
- **Shifting Human Resource Development Models**
 1. From Traditional Training to Digital Training
 2. The Role of the Manager as a Facilitator
 3. HR Data Analysis (HR Analytics)

Method of collecting data

In compiling this journal, the researcher used several data collection methods. Here are some of the most commonly used methods:

1. Literature Study (Library Research)

This method is the most fundamental and often the first step. Researchers collect data from various existing written sources, such as scientific journals, books, and research reports.
2. Observation

This method involves direct observation of the research object. In this context, researchers can observe:

 - How employees interact with new technologies in the workplace
 - Implementation of digital training programs directly, both online and offline.
 - Team communication and collaboration patterns in a digital work environment.

Research methods

A research method is a systematic framework for answering research questions. This journal uses qualitative research methods, an approach aimed at understanding phenomena in depth from the perspective of exploration, interpretation, and meaning, rather than measurement.

Case Study: An in-depth examination of one or more organizations that have succeeded (or failed) in developing human resources in the digital age. The goal is to gain comprehensive insights. Phenomenological Study: focuses on the subjective experiences of individuals, for example on Miniso store employees where they try to adapt to current digitalization developments. data collection methods: observation, literature study and document analysis. Data analysis: thematic analysis, where researchers look for recurring patterns and themes from literature study transcript data or observation notes..

RESULT

The digital era has brought fundamental changes to the workplace, requiring companies to adapt and develop their human resources (HR) to remain relevant and competitive. This discussion will thoroughly examine the strategies and challenges of HR development in the digital age, with a focus on competency transformation and technology utilization.

Competency Technology

The shift to a digital economy is not only changing the way we work, but also the types of competencies required. Human resources can no longer rely solely on traditional technical skills. They need to master crucial digital skills and soft skills.

Digital skills include the ability to use software, analyze data (data analytics), understand the basics of artificial intelligence (AI), and cybersecurity. Meanwhile, increasingly important soft skills include critical thinking, virtual team collaboration, adaptability, and effective communication. Improving these skills is key to ensuring human resources can interact with new technologies and solve complex problems.

One study showed that companies that invested in digital skills training experienced increased productivity and employee satisfaction.(Brown & Green, 2021, n.d.)Therefore, human resource development strategies must focus on ongoing training programs and lifelong learning.

Utilization of Technology in Human Resource Development

Digitalization is also changing the way human resource development programs are implemented. Conventional training methods, such as classroom seminars, are now being replaced or supplemented by more interactive and flexible technologies. For example, the use of e-learning platforms allows employees to learn anytime, anywhere.

Meanwhile, virtual reality (VR) and augmented reality (AR) are beginning to be used for more realistic training simulations, such as technical job simulations or new employee onboarding. These technologies have been shown to increase training effectiveness and reduce operational costs.(Davis & Thompson, 2022, n.d.).

Furthermore, data analytics is a crucial tool for HR departments to identify competency gaps, measure the effectiveness of training programs, and make more strategic decisions. With this data, companies can design more targeted and personalized development programs.

Human resource development strategies in the digital era focus on several key areas. First, enhancing digital skills is crucial, requiring continuous training to improve employees' competencies in data understanding, analytics, and the adaptation to new technologies. Technology also plays a significant role in performance management, enabling HR to track performance trends, identify training needs, and assess career development potential. HR analytics aids in creating more focused and efficient training programs.

Creating an adaptive organizational culture is equally important, as organizations must foster an environment that supports innovation and change, ensuring they remain flexible enough to meet evolving digital demands. Digital training, including e-learning, is essential for improving employees' digital literacy and helping them stay updated with technological advancements. Moreover, developing digital competence through tailored training programs allows employees to advance their skills, whether it's basic data analysis or more advanced programming techniques.

However, challenges persist in this transformation. Resistance to change is a common hurdle, as many employees are accustomed to traditional working methods and may be reluctant to embrace new technologies. The digital divide also poses an issue, with disparities in access to technology and digital skills based on factors like educational background and work experience. Data security is another challenge, requiring robust policies and ongoing training to ensure the protection of sensitive information. Additionally, significant investment in technology and infrastructure is needed to support human resource development in the digital age.

In conclusion, journals on HR development highlight that the digitalization era calls for more than just technology adoption; it demands fundamental changes in organizational operations and the way HR is managed.

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