

Developing And Implementing HR Strategy On The Cusp Of The Digital Era

Designing and implementing HR strategy in today's turbulent digital world is more difficult and complicated. In a competitive environment, where organisations are constantly seeking emerging technologies such as artificial intelligence and capitalising on data-driven customer preferences, the importance of emerging digital technologies must be embraced. Ignoring the importance of these technologies leads to a reduction in complexity and, as a result, competitors become more capable of imitating and taking a larger chunk of the market share. Thus, fatal neglect is often the result of a lack of a complete HR strategy that provides the right course of action with adequate analytics for organisations. A result of the lack of strategic initiative entertains fleeting successes and this lack of a complete HR strategy causes organisations to neglect the development of capabilities that are necessary to maintain their competitive advantage. This article will outline the main elements of a complete HR strategy in the digital age to show managers how to develop and implement this effective HR strategy.

A FORMULA FOR SUCCESS

Success Factor 1: Detailed Analysis of the External Environment

This component includes the analysis of the external environment, sometimes referred to as a SWOT analysis. It examines all the trends and changes in the external environment so that the organisation can make the best proactive changes. For example, what opportunities and threats does climate

change create for your business and how can you prevent potential threats and make the best use of opportunities?

This component includes the analysis of the external environment, sometimes referred to as a SWOT analysis

Success Factor 2: Disseminating Data

After careful analysis of the external environment and recognising the existing opportunities and threats, organisations should incorporate all the necessary mechanisms in the form of a business model so that they can prevent threats and make the best use of the opportunities. This business model should be structured in a precise way with a detailed delineation of all tasks, resources, costs, and revenues. An example of this is creating teams in organisations and creating a flatter organisational chart.

Success Factor 3: Applying a Clear Tactical Vision

After designing the business model and data dissemination, organisations should add a clear tactical vision to the HR strategy by creating a competitive advantage and attracting customers by creating unique value for them in the short-term. Creating digital transformation and developing appropriate technology infrastructures with the aim of creating the required complexity.

This factor will prevent competitors from imitating and data dodging. An example of this would be the quiet quitting taking place at organisations such as Tesla, which is experiencing a slew of skilled employees in flight to the competition.

Success Factor 4: Applying a Flexible Long-Term Approach

Along with applying a clear tactical visionary approach (usually six months to 2 years out), organisations should also add a flexible long-term approach (3 to 10 years out) to their HR strategy to ensure they are identifying the capabilities needed in the future. This long-term approach must be flexible so that the newly required capabilities can be added for unforeseen environmental changes. Gradual changes and tweaking the HR strategy to better respond to the new conditions of the external environment. An example of this would resemble Toyota, an organisation that holds its cards close to its chest, yet plans to blow away the competition with an electric car that may lead that automobile segment.

Pitfalls To Watch Out For

A one-time change fits all mentality is a pitfall that haunts executives. The legacy of the past era of stability may not hold into the future, however. The second pitfall is inertia because the HR strategy has created the idea among many managers that a new approach to HR strategy is not necessary. Unlike the stable era of the past, today's digital era needs a complete HR strategy that creates a long-term relationship with customers and ensures the long-term survival of businesses by considering the needs of customers.

Furthermore, many taller or more centralised organisations lack accurate routing or dissemination of information and knowledge. For example, Tesla's business model emerged from market analysis and recognition of its trends and changes, but the question that remains is whether the attractiveness of the electronic car market and climate change will not attract strong competitors such as Toyota or Porsche? And won't the entry of those competitors who are technically more capable ultimately lead to the failure and removal of Tesla from the market in the future? The answer to this

question is still "ambiguous". Therefore, since Tesla has a strong foothold in the electric car business now, it doesn't mean that it will remain a competitor forever.

Designing a complete HR strategy alone does not guarantee an organisation's success in the digital age. Success in this era requires the creation of appropriate infrastructure and the development of capabilities required to implement this strategy

Successful Implementation Of HR Strategy

Designing a complete HR strategy alone does not guarantee an organisation's success in the digital age. Success in this era requires the creation of appropriate infrastructure and the development of capabilities required to implement this strategy. Today, the implementation of an HR strategy is not a one-time change, but it is a suitable foundation in organisations so that while implementing the HR strategy, conditions for its continuous and gradual improvement are also provided. Rather, it means designing and implementing an HR strategy along with the development of infrastructure and capabilities that cause continuous

improvement and continuous innovation and gradual changes in this strategy.

Emerging Technologies

Entering the digital age means opening new doors for businesses to interact more effectively with larger ecosystems. The emergence of new technologies such as advanced artificial intelligence technology will give businesses the ability to have a better understanding of customers and their needs. This important agility plays an important role in all four components of the complete HR strategy. For example, the data obtained through artificial intelligence is very important in analysing the external environment to understand environmental trends and changes. This data also leads to the design of a better business model, and applies a more accurate tactical view by providing better solutions to create a unique value for customers. Artificial intelligence technology will also play an important role in recognising possible scenarios in the market, leading to the application of a more effective long-term approach that has better flexibility to environmental changes.

In Conclusion

Having an HR strategy that is complete in the digital era is an important source of competitive advantage for organisations. The effective design and implementation of this strategy will increase the probability of success and may keep organisations from falling into the abyss of destruction. This article explained the four components of a complete HR strategy and revealed how to implement it effectively. Moving successfully in the digital age will benefit not only the organisation but also society, in general, as we reap the benefits of effective and efficient strategic planning.

Having an HR strategy that is complete in the digital era is an important source of competitive advantage for organisations

MOSTAFA SAYYADI

Mostafa Sayyadi is a Senior Management Consultant at The Change Leader Consulting Inc. in Sydney, Australia. He works with senior business leaders to effectively develop innovation in companies, and helps companies - from start-ups to the Fortune 100 - succeed by improving the effectiveness of their leaders. He is a co-author of the recently published book, Postpandemic Recovery.

MICHAEL J. PROVITERA

Michael J. Provitera is an international recognised management consultant, an associate professor of organisational behaviour at Barry University, and an author of the book titled "Mastering Self-Motivation" published by BusinessExpertPress. He earned his MBA in finance from St. John's University in Jamaica, Queens, New York. He obtained his DBA from Nova Southeastern University. Michael J. Provitera is quoted frequently in the national media.

HAVE YOU REGISTERED FOR OUR MONTHLY EMAIL NEWSLETTERS?

If not, please email

helen@internationalhradviser.com

You will automatically be invited to our **Global HR Conferences** that are held annually in London.