

# The Emerging Tech Of Blockchain Will Change The Future Of HR Management

Transactions have entered an era of disruption. Traditional bureaucratic tools of the past to manage transactions are not as efficient. Many transactions can be tracked and stored with a code and a digital signature, and many of the large fees that were paid to intermediaries have been removed. This transformation and innovation is the result of the digital transformation that we are living in now, and it is leading organisations to abandon intuitive decisions and make their decisions based on data analysis. Blockchain transformation, like digital transformation, requires the development of appropriate infrastructure in organisations. Organisations need new legal skills and more capable human resources, which will only be achieved through the implementation of effective strategic planning.

Organisations are thriving to keep up with the time factor, which plays an important role in entering this new age. The hardware and software that have been designed for today's internet over the past few decades cannot keep up with this huge evolution of digital thought. Aligning with the blockchain industrial age will impose huge costs. Although blockchain is a big development in today's world, entering it and achieving the goals that this technology requires strategic acquisition and will be more innovative.

## The Future Of The Corporate World

The advent of digital transformation is an important paradigm that has changed the world. In search of different definitions of digital transformation, perhaps the best definition can be suggested that includes all dimensions of digital transformation.

The Internet has led to a dramatic reduction in communication costs, and it has also become a suitable platform for transforming intuition-based decisions into data-driven. This breakthrough greatly reduces errors and has become the foundation of the future of blockchain thinking. Blockchain is defined as:

- A system in which a record of transactions made in Bitcoin, or another cryptocurrency is maintained across several computers that are linked in a peer-to-peer network. Moving towards the future, blockchain, which first appeared in Bitcoin transactions, is based on a virtual currency system that facilitates financial transactions between two parties, peer-to-peer, without any intermediaries such as lawyers and Bankers. This currency and data-driven technology has made it possible for quick easy access to a host of expediter information.

The bureaucratic systems change may lead to a drastic reduction in costs. By using blockchain, transactions are done in just a few seconds instead of a week, many ledgers are replicated in databases, each party to the transaction can easily access them, and the error rate is almost zero. There is no mediation between the transactions, and any changes in the ledger are made simultaneously in all its versions that are available to the transaction parties. In addition, the risk of hacker penetration is greatly reduced, and countless exchanges that have had millions of dollars stolen from them as a result of hacker penetration have no place in these transactions.

## The Future Of HR Management

Achieving blockchain transformation and realising its goals requires many factors. Blockchain will cause huge changes in the current form of HR management models in the not-too-distant future. And with these big changes, many opportunities will be provided to companies to interact more effectively with their ecosystem.

Our first suggestion for HR management departments is that the development of human skill technology infrastructure becomes an integral part of the strategic plans of organizations. Also, we recommend that organisations design more flexible structures to accept future changes and new innovations. Blockchain, like digital transformation, begins with change. And this change should not only be

done in people's vision to accept innovations but should be accompanied by the development of more flexible structures. To develop more flexible structures, our suggestion is that all processes be digitalised under the leadership of HR managers who will be using emerging technologies such as artificial intelligence.

Our next suggestion is to use external blockchain consultants in organisations. It is a fatal misconception to think that this change will happen in the future and we will only go along with it as it spreads. What we are seeing today is the development of public and private blockchains around the world, especially in the US and Canada. This wind of change will soon reach Europe, Asia, and even Africa and will bring great change.

Also, it is recommended that external blockchain consultants coordinate extensively with departments of customer service management and HR management. Entering this new age requires changing the behaviour of customers. This change depends on the development of an effective plan by these consultants and in full coordination with different departments, especially the customer relationship management department. Customers must feel safe and secure in the new digital divide.

Along with the big changes at the social and economic levels and the adoption of new standards by governments, our next suggestion for many managers is to launch a trial blockchain among the units. In fact, with the help of external blockchain consultants to launch this trial blockchain, there will be maximum preparation for a more effective response to external changes. This solution will greatly reduce operational risk for future changes and increase the probability of survival against rapid changes.

We also suggest that maximum cooperation be established between the HR, legal, and IT departments. This recommendation is based on the argument that with technological changes and the development of human capabilities, the legal departments should prepare themselves for the development of new ways of setting up contracts that are smart and lack traditional intermediaries such as lawyers and bankers.

**MOSTAFA SAYYADI &  
MICHAEL J. PROVITERA**