

Transformation to HR 4.0

Companies strive to transform to INDUSTRY 4.0 to meet technology challenges and innovation needs for achieving better scale, scope and speed in business.

The Human Resource function has an even more pressing need to transform to HR 4.0, as it has often taken a supporting role in many companies instead of being one of the leading functions.

The roles and importance of the HR function should be appropriately reviewed and elevated to help management meet the corporate transformation challenges.

Key HR 4.0 Considerations

The HR 4.0 metrics should be more than just the deployment of digital technology for people management. After all, digital transformation is everybody's business and HR has a big role in it. Among other things, the following areas may be considered to help your HR 4.0 transformation.

- **Early and Senior Involvement:** There should be sufficiently senior HR functional leader involvement at the early transformation strategy stage to ensure adequate personnel consideration upfront. The key is to anticipate HR need challenges, not just passive reaction.
- **Cross-functional Knowledge:** HR functional leaders will also need cross-functional knowledge in addition to core HR competencies. Cross-functional competencies will be one of the major challenges to all functions and should be consciously developed with help of the HR function. Talent development and loyalty programs and pipelines for in-demand skill sets should be in place, or there will be high premiums to pay for talents in the market.
- **Communication and Culture:** Appropriate communication on corporate strategy and development directions should be tactically and specifically conducted at each level to ensure and encourage the staff to contribute in the process. HR should help to establish effective communication and feedback channels. It will also help to establish a sustainable innovative culture.
- **Skill Set and Training:** HR should help identify and define the talent competency needs and requirements necessary to realize corporate digital strategic goals and execution of innovative business models. Learning of appropriate skill sets is critical for survival in the fast changing battlefields, and HR can help to establish dynamic and forward thinking training and learning programs.
- **Talent Market Intelligence:** HR should assist senior management to understand the landscape of the talent markets and help formulate effective talent acquisition and retention strategies. External service providers can also effectively contribute to such needs.
- **Structure:** HR should help in devising proper organizational and team structures according to the corporate strategic and operational objectives for best operation and decision making efficiency.
- **Engagement mode:** HR should help evaluate and understand talent values and expectations and explore different modes of establishing talent service relationship and management system. These will include employment, contractual and other partnership cooperation relationships.