RECONSIDERING HR COMPETENCY MODELS: ENTREPRENEURSHIP AND DIGITAL COMPETENCY

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Abstract: Drawing from related empirical studies, the paper critically analyzes previously validated HR competency models and their effectiveness to address the current pandemic situation all around the globe. These HR competency models have not been tested or examined in uncertain and chaotic situations like the COVID-19 pandemic we have been facing now. It is definitely time for HR professionals to set new standards for employees’ well-being, performance, and communication style in the workplaces and support organizations by leading employees to adjust to the smooth transition to the technology-intensive business and the digital workplace. Based on the literature that is reviewed by researchers, it may be reasonable to assume that previously validated HR competency models in different contexts are not being fully applicable and supportive to HR people, who are getting challenged to solve the enormous number of workplace-related problems, caused by the pandemic all around the world today. This study suggests that the globally accepted HR competency models should be updated and redesigned based on the concept of “digital skills”, “HR relations skills” and “entrepreneurship” as a competency of HR professionals because businesses need to restart and reshape their operational structure in order to fit the virtual and technological-based business world. As a conclusion, we can state that due to the current global health issue and economic situation, redefining the most important HR competencies that support businesses to overcome obstacles and difficulties, is vital in this time of our history in life.

Keywords: COVID-19 pandemic, digital HR, digital competency, HR competency model, human relations skills, e-skills, entrepreneurship.

1. Introduction

All types of workplaces are forced to be transitioned quickly from traditional forms of workplaces to virtual work environments like the zoom-centric option by the COVID pandemic. Among many professionals, human resource managers (HR managers) have been required to act quickly in order to help employees shift to virtual forms of workplaces in 2020 [1]. Mankind of today is facing not only unprecedented revolutions with enormous challenges in the 21st century by information technology and biotechnology, but also we have been expected to work and live virtually distanced from each other. Today nobody has a clear idea of how the job market will look like or when our lives will be normalized.

The successful transitioning from in-person to distance working demands HR managers to be obtained a set of “e-skills”, which can be defined as a mix of advanced technical as well as high-level soft skills [2].

Aside from being expected to respond speedily to the COVID emergency situation by guiding employees to shift to the virtual workplace environment, HR managers have been examined how well they mastered human relation skills. According to the research framework, proposed by [3], communication, conflict resolution, multitasking, negotiation, and organization are an integral part of human relations skills.

In the literature, the HR competency models, which were created and formulated by Ulrich and his teams (human resource competency study: seven round), [4] together with SHRM, [5–9] and others, are agreed to be practical and applicable, guiding and mapping HR professionals to add value to the outcome of organizations by performing their roles effectively and successfully. However, these models have not been tested or examined in an uncertain and chaotic situation like the COVID-19 pandemic we have been facing nowadays. It is time for HR professionals to set a new standard for employees’ well-being, performance, and communication style in the workplaces [10], and support organizations by leading employees to adjust to the smooth transition to the technology-intensive business and the digital workplace. Therefore, this paper reviews literature, related to the topic of HR competencies and digital workplace, in order to contribute to the discussion of redefining the most important HR competencies, which are needed by HR managers in today’s workplaces.

2. Methods

This study is descriptive research, formed based on reviewing previous literature, relating to the concept of the competencies of HR professionals and the digital workplace. The original research idea was created based on the framework of digital HR strategy, developed by [11] together with the researchers’ interest and ambition on the topic of HR competency.

3. Results

3.1. Digital workplace

Automation and machine learning may affect every line of work in the future, starting from producing various kinds of consumer commodities, providing a law consultation, or teaching yoga, etc [12]. Terms like digitalization, robotics, machine learning, automation, and AI, etc. are altogether called the Fourth Industrial Revolution, which is projected to be a real game-changer because AI is claimed to be able to perform “thinking work” [13]. In order to respond to this technological evolvement, the concept of Human resource management has been gradually changing its form to digital HR [14]. Technology is considered as one of the important dimensions of HR competency models, constructed by the results of many studies. This trend will continue because people are encouraged to work and live online more than ever before in human history.

3.2. Human Resource Competency

Human resource is one of the most important success factors for organizations to sustain their competitive advantage [15]. Professional competency can be explained as practical as well as theoretical readiness of any profession for professional activities [16], and a position, relating to HR activities at an organization, requires individuals to possess certain academic preparation, specialized knowledge, skills, abilities, and personal characteristics as well as practical experience [17] to achieve high-performance outcomes.

3.3. Digital competency

Not only HR professionals, but also employees in all sectors today are required to learn and possess specific technical skills as well as general soft skills due to the digital workplace and current global situation. In today’s workplace, a mix of advanced technical and soft skills is emphasized, and a combination of these skills is so-called “e-skills” [18]. According to [19], digital competency allows managers to work in a digital environment.
by transforming big data to information in order to act intellectually with evidence-based knowledge.

3. 4. Human relations skills

Many studies have highlighted that people in quarantine express a high level of anxiety, stress, and depression [20]. Also, another study stated that about 35% of over 50,000 participants have psychological distress due to the pandemic [21]. In order to build a safe and stress-free work environment, human relations is the main tool for managers to develop an efficient relationship across many different environments during changing social and human events like this time of human history [22]. A high-level softer skill like effective communication is already found to be a necessary skill for managers to promote performance [23].

3. 5. Entrepreneurship as a competency of the HR professional

Entrepreneurship is asserted to be a key driver of economic development, referring to the creation of new businesses regarding innovation and novelty [24]. According to [25], entrepreneurial activity by entrepreneurs and owner/managers of young businesses has an impact on economic growth, but they found that it can vary among countries due to the different stages of economic development. From the Human Resource management perspective, HR managers are encouraged to be entrepreneurs in the future [26] and the authors also explain that if HR managers become entrepreneurs, they can be risk-takers (courageous), customer-oriented (service-oriented), and business drivers (business-driven acumen), which may be one of the most vital HR competencies to help businesses rebuild and restructure their business activities nowadays.

4. Discussion

Mainly, updating professional knowledge of HRM and specializing in all areas of HRD from time to time is a “must-do” thing for HR practitioners all around the world. It is possible to make an assumption that the competencies, which are required by HR managers today, will keep changing in the future in terms of business, economic, environmental, health, and technological changes around the globe. Thus, due to the current global health issue and economic situation, redefining the most important HR competencies that support businesses to overcome obstacles and difficulties is vital in this time of our history in life.

Making the transition to a virtual workplace requires employers to have a digitally competent and confident HR team to restart their business in a technological-based and future-oriented way. It means that reestablishing and reshaping businesses in the current global circumstance mandates HR managers to demonstrate “e-skills”. In other words, HR professionals need to understand technology; get connected with their colleagues emotionally; have an entrepreneurship mindset and be independent users of big data.

5. Conclusions

As a result of reviewing the topic of HR competencies and digital workplace, this study of ours humbly tries to get HR practitioners as well as HR researchers attention to the idea of reconsidering and redesigning the globally recognized HR competency models based on the concept of “digital skills”, HR relations skills” and “entrepreneurship” as a competency of HR professionals because almost all types of workplaces are demanded to be transitioned from traditional forms of workplaces to virtual work environments by the COVID pandemic in every corner of the world nowadays. It is assumed, that regardless of industry differences or the geographical location of businesses, HR professionals are urged to gain a mix of advanced technical skills along with high-level softer skills in order to guide organizations to transition from in-person to distance workplaces.

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