

# AN IMPACT OF HRM- DIGITILIZATION ON ORGANIZATION .

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## **Abstract:**

Today in this competitive world every organization focus on better Performance and sustain in the competition. In this paper will discuss the evolution of digitalization in HRM over a period of time and its contemporary application in the Implementation of HRM strategies and policies. One of the foremost areas the HR should focus upon is Implementation .Also study how AI practices transformed the Organization.

**Key Words:** Digitalization, Implementation, Cloud HR Technology, Automation of HRM, recruitment, on boarding, performance management, compensation & benefits ,digital wayfarer.

## **Objectives of the Study:**

The study is undertaken to achieve the following objectives:

- (i) To understand how the digitalization in HRM is implemented
- (ii) To focus on importance of digitalization's
- (iii) To sustain organization in the race of competitive world.
- (iv) Overall Growth of organization.

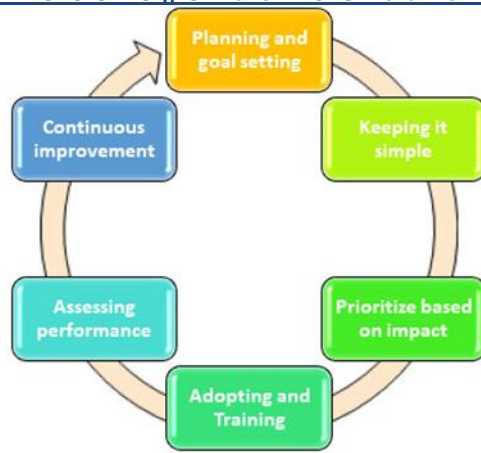
## **Introduction:**

The top priority for HR in this competitive world to translate organizational strategy and vision into Implementation and make it a huge success. Especially, growing organizations do not have the luxury of having exclusive people assigned to do exclusive jobs. For this, the HR Managers have adopted Recent Trends of Digitalization like - Cloud HR technology, Artificial Intelligent driven tools, Adjusting the existing operating models, Adding strategic value to the businesses, Automation of mission-critical HR functions such as a) recruitment b) on boarding, c) performance management d) compensation & benefits, maximizing the economies of scale, which means executing it better, faster and low cost.

Also this will Help the Organizational Functions Like

Planning and Goal Setting, whatever the goal or Strategy keeping it Simple,

Prioritize based on impact, as well as adopting and training Assessing Performance and continues improvement .



Digitalization tools such as Artificial Intelligence will cut short the laborious processes. For example, to fill up the hundreds of job vacancies if it takes a week's time for the HR to manually shortlist and evaluate them, the AI takes only a few minutes. It searches the database with the keywords such as location, technical skills, number of years of experience, educational qualifications, and specializations, if any, and so on. (Reference: Financial express). It can also send automated emails to the shortlisted candidates and schedule interviews. In HR, it is recognized that digital process management can be managed to increase transparency of work.

In talent acquisition, many recruiters use big data analytics to match as much selection criteria as possible with the profiles of the candidates, based on the job description to hire the right candidate. This will also help the candidate to meet his/her expectations if got selected, and thereby the tenure would be longer in the organization, and the retention period of employee is high.

As big data generates and provides valuable insights of the candidates, the HR/hiring manager will be able to take appropriate hiring decisions.

Lets see one cosmetic organizations example in details.

### **How AI reinvented hiring practice at L'Oréal**

Find out how L'Oreal, world's largest cosmetic company has transformed its talent acquisition practice inside out.

Technology has radically altered the way the employees and businesses work. The technology has entirely reinvented and enhanced the processes and systems in various industries. The recruiting industry is no exception. In the last two decades, technologies like online job boards, applicant tracking systems (ATS), and professional networking sites have digitized and significantly changed the job application and recruitment process.

However, the availability and ease-of-use of online recruiting tools have led to an enormous increase in candidate applications, even to jobs they may not be qualified for. Hence, overwhelming recruiters and creating gridlocks and inefficiencies in the hiring process.

On the first day of People Matters TechHR 2018, Niilesh Bhoite, Chief Digital Officer - Global HR, L'Oréal shared how Artificial Intelligence (AI) and Machine Learning is enabling recruiters to be more strategic. He shared that leveraging AI made the recruiting process more efficient by freeing talent acquisition professionals from repetitive tasks and allowing them to

concentrate on value-added responsibilities. The technology also improved the experience for job applicants by responding to their applications quickly and knowledgeably, accelerating the entire recruitment process.

Here is the case-study of L'Oréal on adopting AI to transform their recruitment process:

The L'Oréal Group is the world's largest cosmetics company. Its self-proclaimed mission is to 'invent beauty' and offer everyone access to the best of cosmetics regarding quality, and safety. It has a presence in 150 countries, 34 global brands 82,600 employees.

**Business Challenge:**

Every year two million candidates apply online to various jobs at L'Oréal. Out of those two million unique applications, the company hires 5,000 candidates every year. The job of selecting the 5,000 candidates out of the unique 2 million CVs or applications is performed by a recruitment team comprising of 145 recruiters globally.

Clearly, L'Oréal required a more innovative approach to solve the three following challenges:

- Reducing the turnaround time for hiring
- Enhancing the candidate experience
- Hiring the right candidate

**Solution:**

L'Oréal adopted AI and Machine Learning (partnered with Seedlink Technology) to avoid the non-value adding tasks and focus on more value-added tasks in recruitment. For the screening process L'Oréal adopted Chabot, Mya which helped job seekers like a human recruiter, screening potential candidates for the company. Mya which works on artificial intelligence and natural language processing ask questions, verify qualifications, and answer questions from job applicants about things like company culture, policy, and benefits. After Mya finishes asking questions and screening for qualifications, it would deliver updates to the recruiters letting the know about the "best-fit" and "non-fit" for the job role.

While Mya was taking care of the harder aspects like qualification, location, salary, the organization felt the need to automate the assessment of candidates on the softer aspects too. So, L'Oreal commissioned Seedlink technology to use their algorithms and create a customized AI model based on L'Oreal's values and competency frameworks, which asked three questions from the candidates who have completed the initial interaction with Mya. The three questions were:

1. Tell us about a project that you worked on failed. What did you learn from that project?
2. Tell us about the project where you were working with the multi-cultural teams and what experience did you have?
3. Tell us about a situation where you are convinced about your idea, but your seniors were not. How will you convince them?

The algorithm compared the answers given by the candidates with the answers given by the L'Oréal employees and generated the cultural fit scores. This information was fed into the



Application Tracking System which helped recruiters to arrange CVs based on the cultural scores they had.

Outcomes:

L'Oréal identified how AI could be used to deliver an improved candidate experience and leveraged AI to make deeper human connections with candidates. The technology helped not only the recruiters in shortlisting the right candidates for the job but also helped candidates to decide about their career at L'Oréal.

Over the last seven months, 13,000 candidates have spoken to Mya. An average recruiter takes 45 minutes to screen, schedule and do a phone interview. Mya took charge of doing the entire process in 4-5 minutes. Hence, saving 40 minutes per CV. Bhoite shared, "We saved 45 working days on a six months period for our UK recruiting team. Thus, helping them to redeploy this time in other value-added tasks."

**Work-Life Balance using Hybrid Model:** Let us look at a growing new community by name Digitalization Era. These are the people who are location independent and use technology (internet) to perform their job. They are professionals who prefer to work remotely, primarily to enjoy their freedom. They may be writers, techies, marketing professionals, creative designers, HRs etc. Digital wayfarer might be insensitive to their routine office timings, but are very sensitive about their deliverables and timelines. These are often less-stressed and are more productive than those who work in offices, and hence they maintain great work-life balance.

**Findings:** Globalization is a force that increasingly touches the lives of people living in all countries of the world. The opportunities are abundant, organizations to improved job opportunities and higher wages for skilled workers. The challenges are equally copious. Organizations need to deal with an ageing workforce; they must attract, integrate and maintain multicultural employment pools.

**Research Methodology :** The study is conceptual in nature. Hence, secondary source of data mostly comprising journals, research publications, and google has been used to achieve the stated objectives.

**Conclusion:**

Globalization is a force that increasingly touches the lives of people living in all countries of the world. Country borders are metamorphosing from barriers to bridges as a result of trade liberalization, increasing levels of education among women and workers in developing countries, and advancements in technology. Goods, services and labour talent are now flowing more freely across the globe than ever before. The opportunities are abundant, organizations to improved job opportunities and higher wages for skilled workers. The challenges are equally copious. Organizations need to deal with an ageing workforce; they must attract, integrate and maintain multicultural employment pools. As a rule human resource management has to venture into new trends in order to remain relevant corporate development partner Over the course of several industrial revolutions, many changes have occurred in industries such as production systems, services, and the HR involved in the processes. Since the start of the Fourth Industrial Revolution, digital technologies have reshaped the way people work, learn, lead, manage, recruit, and interact with each other. In this sense, it is necessary to understand

the main changes and trends in HR from the use of digital technologies, the main issues and disruptive groups in HR

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