

Industry 4.0: reshaping the future of HR

Anju Verma, Monika Bansal and Jyoti Verma

1. Industry 4.0

The fourth industrial revolution, better known as Industry 4.0 has transformed manufacturing through digitalization and exploitation of advanced technologies. (Martinez, 2019; Rojko, 2017; Verevka, 2019). It focuses heavily on interconnectivity, automation, digitalization, and real-time information exchange to create a holistic and better-connected ecosystem for companies that herald innovation, improves efficiency and effectiveness and creates new opportunities. (Kohnova *et al.*, 2019).

The business reengineering technologies that are the foundation of Industry 4.0 include Internet of Things (IoT), artificial intelligence, robotics, Big Data analysis, 3D printers, augmented and virtual reality and cloud computing, etc. (Roblek *et al.*, 2017; Rojko, 2017).

These technologies are disrupting the conventional business models, thus, making it imperative to adopt and adapt to the technologies and processes of the future. The integration of Industry 4.0 in the business functions and departments is germane to leverage the true benefit of this digital revolution (Bondarouk and Brewster, 2016; Hempel, 2004).

1.1 Industry 4.0 and HRM

With new-age technologies making a wave in today's competitive world, the human resource department also needs to align their HR processes with the fast-changing technological landscape (Bondarouk and Brewster, 2016). They cannot depend only on the traditional approach. Smart HR 4.0. Technologies powered with new generation employees have the potential to transform HR processes and offer various benefits to the organization, therefore, giving impetus to embrace Smart HR 4.0. (Shaw and Varghese, 2018; Sivathanu and Pillai, 2018). The article illustrates the HR digitalization journey of Tech Mahindra.

Tech Mahindra is the highest ranked non US Company in the Forbes Global Digital 100 list 2018 and featured in the Forbes Fab 50 companies in Asia 2018. With the shift to new-age technologies, the company is rewriting the rules of the business. It has adopted digitalization in various business processes to keep pace with the changing world. The ensuing sections discuss the various initiatives taken by the company to reinvent their HR processes.

2. How Tech Mahindra Reinvented HR

As a technology firm, the organization focuses on digitalizing the HR processes to build an agile ecosystem and the workplace of the future where humans and machines collaborate to improve productivity, innovation, and growth. However, the company faced the following issues to deal with:

- how to automate and streamline the key processes of HR that were so tactical, complex, time-consuming and labor-intensive;
- how to make the workforce smarter, agile and equipped to handle these new-age technologies and to solve complex business problems;

Anju Verma and Monika Bansal both are based at the Shri Ram College of Commerce, University of Delhi, New Delhi, India. Jyoti Verma is based at Mata Sundri College for Women, University of Delhi, New Delhi, India.

- how to find and retain talent in the wave of digital transformation;
- how to drive efficiency, innovation, improve productivity, save cost and stay hyper-competitive;
- how to align the people, processes, and systems with the digital world; and
- how to make the company and the employees' future-proof in such a volatile environment.

2.1 Strategic road map

- shifting the focus from revenue per employee to value per employee;
- attracting a globally diverse workforce of cobots and humans;
- building future-leaders of entrepreneurial mindset; and
- fostering innovation with no compromise on values.

2.2 Actions & Outcomes

- The company developed GAiA, an open-source Artificial Intelligence platform named Acumos to automate mundane tasks and add value in the roles that were more complex and time consuming like filtering the candidate's profile as per the job description from a large resume database. The company also used algorithms and atoms to calculate the human resource requirement for each project.
- While earlier the company had to rely on IT storage servers for recording data, the cloud-based solutions now have helped the company to streamline the process and reduce the paperwork. This also leveraged the company by providing a huge amount of analytical data like history rating, grievances, leave records, etc.
- Digital job boards, social media, online interviews through Skype/Web-Ex, etc., freed the company from humongous back-end tactical work.
- The performance management process became entirely online, right from competency mapping, capturing progress, collecting 360-degree feedback to the identification of the training needs. It also proved to make a massive difference in identifying the emerging trends/risk factors like attrition.
- Online training, reskilling and upskilling of employees helped the company to build an agile organization structure and further heightened the company's ability to become hyper-competitive. The talent requirements were also able to meet internally.
- Artificial Intelligence-based Facial Recognition System to register the attendance of employees drastically reduced the time spent on updating the timesheet.
- Talex – the world's first AI-driven marketplace of talent enabled to map the skills of the existing talent pool and culture-based evaluation in a more structured way.
- Recently, the company introduced K2, the first Human Resource (HR) Humanoid for its Noida SEZ Campus. It is a perfect mix of knowledge and kindness to take over the routine HR transactions and provide constant assistance to the HR team in delivering an enhanced employee experience.
- The basic queries of employees that earlier were handled by the HR team and would normally take eight hours are now tackled by a chatbot called UVO which takes less than eight seconds to resolve a query. It also assists in data administration activities like leave approvals, handling requests for cash advance, travel and so on. Mr. Harshvardhan Soin, the Chief People Officer of Tech Mahindra, reported that it has not only increased the employee satisfaction but has also reduced attrition in the HR team since the monotonous work was reduced largely.
- Storing the details of the shortlisted candidates for interviews, creating, sending and monitoring the offer letter/other required documents, and other onboarding activities

are not a task anymore at Tech Mahindra. The intelligent BOTs automation led to a reduction in average handle time (AHT) by 60%.

- The submission of documents relating to employee hiring and mobility to the payroll team was a manual and time taking process. The creation of a payment voucher for the employee leaving the organization was also cumbersome. Robotic Process Automation (RPA) implementation made the process hassle-free, improved productivity by 50%, and reduced the manual work by 80%.

3. Conclusion

Tech Mahindra's breakthrough technological innovations in HR processes resulted in more accessible, trackable and impactful HR functions. It not only had long-run positive impacts on employee satisfaction but also on company growth and productivity. The data-driven analytics helped the company to stay focused on its mandate of creating diversity, meaning, and value.

Overall, the adoption of Industry 4.0 brought in the best of breed solutions, made the operations more efficient and transparent. The transformed HR processes helped the company to stay relevant and ahead of the curve.

Keywords:
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Further reading

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Corresponding author

Anju Verma can be contacted at: anjuvermasrcc@gmail.com

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