



# Key Change Drivers of Digital Transformation on HRM

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# BACKGROUND

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Company Name : **Target Insurance Company Ltd. (TICL)**

Driver : Big Data

Apply : Recruitment and talent retention management

Reason/ challenges of HRM for the change:

- brand name – not as famous as other international foreign insurance company
- costing to use and other media especially via the Head-Hunters on recruitment
- Time consuming to have interview with not appropriate candidates
- High turnover – talent retention management and hence smarter recruitment for good hire
- Not organized training arrangement
- Over loaded administration HR works - paper / hard copies
- Database not properly stored / organized for analysis

# Big data's Basic Features

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Scholars have defined big data has four V characteristics (Ma and Jiang 2013)

- ❖ Volume

- ☐ availability of large scale of data as the common use of internet – easy to acquiring and sharing
- ☐ Sample data analysis vs Overall data analyze

- ❖ Variety

- ☐ The complexity of the data type – unstructured – challenges data processing

- ❖ Velocity

- ☐ Rapid growing on data volume – need faster data processing speed – data needs to be utilized efficiently

- ❖ Value

- ☐ Unstructured data – reproduces mess of useless / wrong messages or interpretation of formation

# Environments lead to big data as a driver on the HRM

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1. Talent Management is one of the areas enterprise considering as an important internal capacity to be strengthened
2. Increase demand of the data accuracy, cost saving and effective office administration
3. Managers in people management needs more innovative ideas for the people management
4. Enterprise are now pushed by the market to use new technology
5. Automation is now playing a important global role in many industries, with apparently a lot of opportunities.

# Big data to drive the transformation on HRM

## Desirable outcomes

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1. Human Resource can go along the “Big Data philosophy” and utilize Big Data management, human resource management will come precise, efficient and objective. (Zhang, Siyu, and Maolin Ye, 2015)
2. The regime of big data has resulted in the development and applications of technologies and methods aimed at effectively using massive amounts of data to support decision-making and knowledge discovery activities. (Storey and Song, 2017)
3. e-HRM applications are used to steer HRM into a strategic transformation, by supporting important management decisions with sufficient descriptive and predictive information. (Strohmeier, Bondarouk, Konradt, 2012)
4. Automatic Personnel Affairs can reduce manual intensive administration works and release HR manager to work other strategic management. (Strohmeier, Bondarouk, Konradt, 2012)

# Big data to drive the transformation on HRM

## Undesirable outcomes

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1. Poor ideology and lack of correct understanding of big data (Hui, 2019)
2. Enterprise human resources management faces pressure of innovation
3. Job seekers/employees of the generation X resist to IT innovations
4. Big data cannot solve all problems – wrong mind set and hence wrong usage & outcome
5. The Data Privacy and Security of the Personal Information of Employees – if used/stored not properly can violate the privacy of individuals and may cause serious losses to individuals as well as to the company – Director and Officer's Liability
6. Careful use of the Concluded – Big data analysis has limitations and may not be applicable for some micro issues. Don't expect it can predict all from Big data.

# Recruitment - application (1)

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Traditional recruitment of Target Insurance always follows these steps:

1. Department Heads report demand for talent to HR
2. HR then posts the recruitment message on Website e.g. Jobs DB or via Head Hunters
3. Interested Applicants will submit their resume and HR will select & arrange interviews with appropriate candidate

The reality is that the selection process is long and sometimes the interviewer's judgment is prejudiced due to :

1. Interviewers may not be able to acquire comprehensive information about the candidates
2. This may cause prejudice or misjudgment for the right talent in the course of selection

But now Big data is now able to help and avoid this to have better results .....

# Recruitment - application (2)

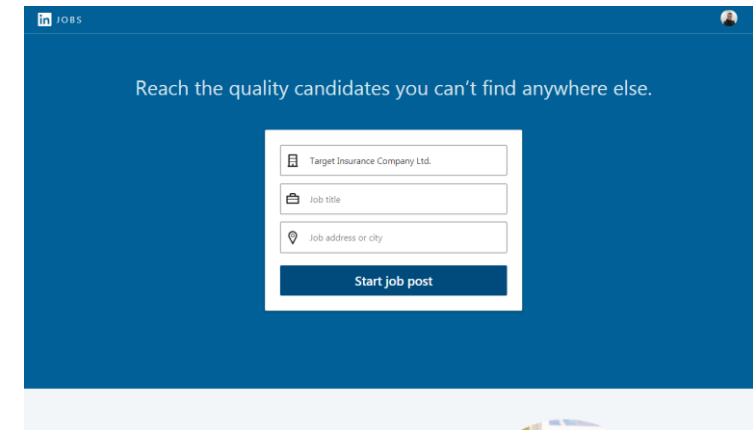
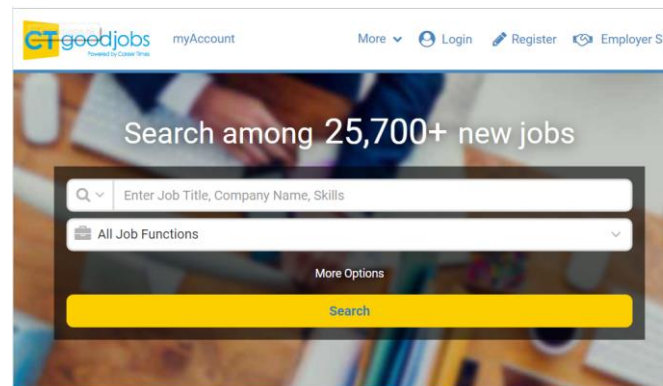
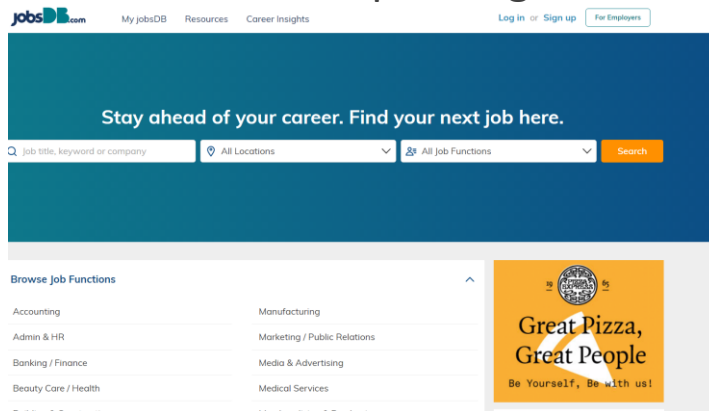
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- A. Big data provides a wider & broader platform for the recruitment work of enterprises – INTERNET.
- B. HR is integrating the recruitment process into social net-working to collect resume and information of applicants to form the Big Data for the analysis and to arrive the objective of accurate "person-post matching".
- C. As for the applicants/candidates can learn the company as well the recruitment process information and if they are compliance with the job offers.
- D. Big data can draw statistical conclusion on good and talent employee in the course of interview
- E. Big data, using “Serious games as a self-assessment” (Laumer, Eckhardt, Weitzel, 2011)
  - A. A reduction in the total number of unsuitable applications to be received.
  - B. Applicants can obtain a realistic idea of the post and steers them to submit their applications for jobs fit their individual profile.

# Recruiting – Real case study of Target Insurance Company Ltd. (TICL) - 1

## Current Practices

1. Job posting via internet platforms namely : Jobs DB, CT-Good Jobs and LinkedIn which TICL spends quite some money.
2. Basically, Jobs DB and CT-goodjobs are for junior level and LinkedIn is for senior level.
3. TICL is depending on the database of them for the analysis and reference but with costs.



# Recruiting – Real case study of Target Insurance Company Ltd. (TICL) - 2

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The Digital Transformation of HR has created new opportunities for organizations to implement clever hiring strategies.

- a) Research the candidate's Digital Reputation – TICL is now able to search for the profile of the applicants in the social networking platform e.g. Facebook, Instragam.....to disclose important facets such as interests and hobbies, plus an overview of the candidate's personality & daily behavior.
- b) For senior level staff, HR of Target is now able to access to a wider talent pool and hence higher probability to have the right hire.
- c) Digital Recruiting means more than just posting a job opening on LinkedIn or other websites. It also means that the traditional resume is being replaced by complex data. This data reflects the individual's experience and his/her digital print, which add up to a Digital Reputation of candidates.

# Recommendation – TILC going forward (1)

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- A. Digital recruitment should go further and not just posting vacancies on online job boards and social media/network.
- B. It should be extended as a whole host of digital tools and strategies that cover the entire recruitment process — from the beginning to completion of hiring. Such approaches include:
  - 1) Digital job board advertising
  - 2) Posting on career websites
  - 3) Mobile recruiting
  - 4) Utilizing online assessments
  - 5) Social recruiting

Reference : Harver (a pre-employment assessment internet platform)

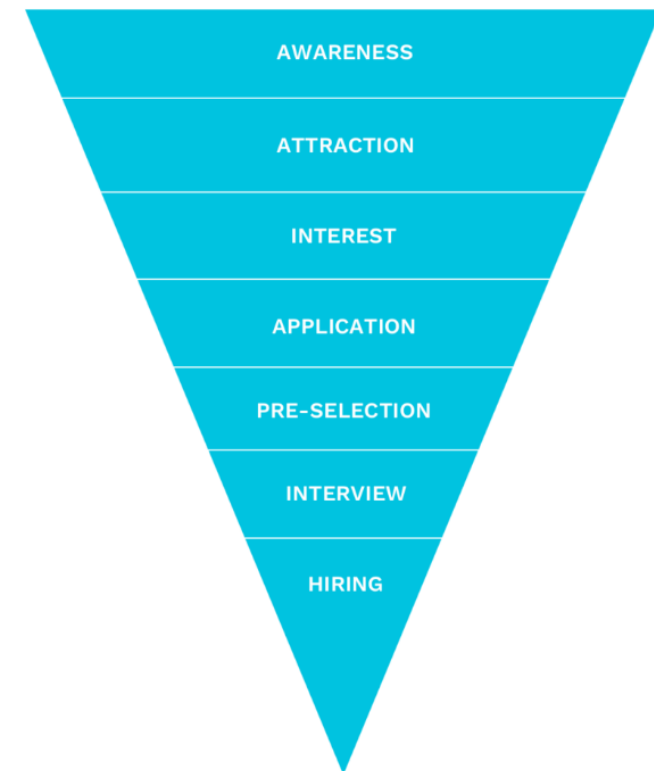
# Recommendation – TILC going forward (2)

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## Tips for building a robust digital recruitment strategy

1. Create and share relevant content
2. Have a solid social media recruiting strategy
3. Prioritize candidate experience
4. Build your reputation
5. Design a digital candidate selection process
6. Create feedback loops
7. Pick the right tools
8. Train your team
9. Track recruitment metrics
10. Be consistent across your recruitment funnel

## RECRUITMENT FUNNEL



Reference : Harver (a pre-employment assessment internet platform)

# Recommendation to develop e-HRM

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## Development of e-HRM

- ❑ From Administration purposes as the focus in the beginning stage.
- ❑ Then will eventually integrate with other modules of different business units such as sales, customer services, underwriting, marketing, finance, claims and administration.
- ❑ HRM efficiency and strategic transformation

Ensure smooth transformation from traditional method to innovation of HRM in the era of Big Data

# Reference

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