MANAGEMENT

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DIGITALIZATION OF HUMAN RESOURCE MANAGEMENT

Current trends in the development of human resource management (HRM) systems are largely determined by digital transformation processes, as digital technologies have penetrated virtually all areas of human and social activity. Digital transformation makes management more transparent, flexible, and convenient, reducing the time, effort, and resources required for decision-making and the management of various organizational processes. Although HRM is one of the most human-centered areas of management, digital technologies are increasingly being applied in this field, significantly transforming approaches to working with employees, the role of HR departments in modern organizations, and the nature of communication between HR professionals and employees.

The core functions of human resource management remain unchanged; however, various digital products and systems are being developed for key HR processes, including sourcing, recruitment, assessment, and training. These technologies perform part of the routine work and enable HR professionals to make more informed and well-grounded decisions.

The introduction of digital technologies into the workplace has expanded the scope and capabilities of human resource management. The rapid development of digitalization is resulting in changes in the structures, models, and approaches to human resource management in

enterprises. Contemporary approaches to HRM in the context of digitalization create new challenges and requirements regarding managerial competencies. Global investment in new HR technologies is contributing to the emergence of a new digital employment ecosystem.

The main areas of application of digital technologies in human resource management include:

- development of electronic recruitment systems and digital candidate sourcing;
- adoption of a comprehensive approach to enhancing corporate culture and employee engagement through the development of digital culture and digital etiquette;
- implementation of performance management approaches across various HRM subsystems using artificial intelligence;
- development of a "digital organization" culture and digital management practices within enterprises;
- application of employee training technologies aimed at developing digital competencies;
- development of global human resource analytics systems;
- development of the hybrid office concept as a prospective form of employment combining traditional and remote work arrangements.

Researchers note that the digitalization of human resource management systems can not only address existing HR challenges within an organization but also create opportunities for further human capital development, which, in turn, can contribute to gaining a competitive advantage in the market.

Currently, four major trends in the digitalization of HRM processes can be identified that have already become an integral part of HR departments' activities and continue to develop rapidly. The first is the integration of artificial intelligence technologies into HR systems; the second is the collection, storage, and processing of large volumes of data using cloud-based services; the third is the use of chatbots for internal and external communication; and the fourth is the application of virtual and augmented reality technologies for employee training and assessment.

The first and most significant trend in HR digitalization is the development of artificial intelligence technologies. Their application in HR creates substantial opportunities for automating numerous processes that require considerable time and effort from HR professionals. This makes it possible to redirect the resources saved toward addressing complex problems and dealing with non-standard situations.

One potential advantage of such technologies is the reduction of subjective assessments and certain forms of interviewer bias during the initial stages of candidate screening. In addition, this approach to recruitment can save time and effort for both candidates and HR personnel by reducing the need for face-to-face interaction at the initial stage of the recruitment process. At the same time, the final hiring decision remains the responsibility of a human decision-maker, while artificial intelligence serves as an assistant and advisory tool.

Digital transformation creates substantial opportunities for analytical activities within HR departments. Relieving HR professionals of routine tasks enables them to systematically collect and analyze data on an organization's human resources in order to develop and make well-grounded HR decisions. HR analytics tools make it possible to systematically assess employee productivity, employee turnover, and workforce requirements.

Another important trend in the digital transformation of human resource management is the use of cloud-based services for information storage and processing. Corporate cloud platforms may contain company information and key documents, providing employees, partners, clients, and other stakeholders with immediate access to relevant information. Different access rights – including open access, password-protected access, specialized permissions or functionalities for individual users, and shared access – make it possible to regulate information use and prevent unauthorized activities.

Cloud-based services effectively address such tasks as working-time tracking, payroll processing, shift scheduling, vacation planning, and many other administrative functions. These technologies make it possible to structure data, provide recommendations, develop necessary documents, and collaboratively edit them directly in the cloud during work meetings. A further stage in the development of cloud services involves their application to employee training and development, team skills management, and the generation of recommendations for improving production processes, workforce management, and organizational performance.

The third trend in the digital transformation of HR systems is the introduction of chatbots into communication systems. Chatbots can automatically respond to frequently asked questions and provide other necessary information through interactive communication and mass notifications. At present, this technology is most actively used in

recruitment systems, particularly at the stage of collecting initial information from candidates.

A chatbot can conduct a "virtual interview" and record candidates' responses to standard questions concerning gender, age, education, work experience, and possession of the required skills. It can then generate a list of the most suitable resumes and send invitations for further communication to selected candidates. This significantly reduces the time and effort required from HR professionals and decreases the influence of the "human factor" at the initial screening stage.

The fourth trend in the digital transformation of human resource management would have seemed almost unimaginable until recently, as it involves the use of virtual and augmented reality technologies. For example, virtual tours can be used to familiarize job candidates or newly hired employees with company premises or specific departments. Such virtual tours may incorporate additional tools, including photographs, videos, tests, tasks, topics, and other gamification elements. These elements can be used to award or accumulate virtual points, which may be incorporated as an additional assessment criterion in the candidate selection process.

Gamification elements integrated into virtual or augmented reality systems can significantly increase the motivation of both job candidates and existing employees undergoing training and professional development.

In the future, these technologies are expected to develop further, making it possible to simulate both typical and non-standard or stressful work situations and to assess employee behavior in such virtual environments, as is already the case with driver and pilot simulators. This technology is particularly important for the safe training of professionals whose activities involve increased risks or hazardous and harmful working conditions.

The above-mentioned trends in the digital transformation of HR systems involve technological tools and services that perform standard, routine, and repetitive operations. A major challenge is to establish new work standards, including the integration of digital technologies into human resource management systems and the clear delineation of functions and responsibilities. Ultimately, these changes substantially transform the nature of HR departments' work.

In the digital economy, human resource management systems are becoming more technologically advanced while simultaneously becoming more flexible and capable of responding rapidly to potential

changes. The intellectualization of HR managers' work makes it possible to transfer routine and repetitive processes to automated systems, robots, and bots, thereby increasing the time available for creative problem-solving and generating new ideas for organizational development.

Digital technologies have a positive impact on human resource management by creating additional employment opportunities, supporting continuous employee development, expanding access to quality education, and contributing to the emergence of new professions and jobs associated with digitalization. Contemporary approaches to human resource management in the context of digitalization provide managers with new opportunities to improve business process efficiency and foster employee development. However, it is important to ensure that digital transformation is harmoniously integrated with the human factor in order to achieve the best possible outcomes in human resource management.

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