# SUSTAINABLE HUMAN RESOURCE PRACTICES FOR ORGANIZATIONAL COMPETITIVENESS POST THE COVID-19 PANDEMIC

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# ABSTRACT

The study was formulated to tap into the future of HRM given the disruptions arising from the Covid-119 pandemic as well as the progression of the global technological environment to the fourth industrial revolution. The aim of the study was to: the Covid-19 induced HRM practices underpinning future organizational competitiveness. A literature review strategy was adopted to achieve the study objective. The study established seven emerging themes to inform HRM practices for the competitiveness of organizations in future following the Covid-19 disturbances. These themes are: primacy of HRM, increased cyber influences, digitalization, remote HRM, human-machine interface skills, human-organisation strategic links as well as human-technology interface competencies. Based on the study findings, the study recommended HRM departments to move to HR 4.0 through the adoption of industry 4.0 technologies, increased automation, and digitalization as well as strengthen virtualization systems.

Keywords: HRM, Covid-19, HR 4.0, Industry 4.0.

#### **INTRODUCTION**

Beyond every crisis situation, lies rebuilding. Writing for the World Economic Forum (WEF) in its special edition of the Global Competitiveness Report, Schwab and Zahidi (2020) envisaged a 'road to recovery,' featured by the need to 'rebuild better.' Research is clearly underway to establish the best practices for the future given the Covid-19 disturbances (Deloitte, 2020). Shifts in sources of competitiveness as well as modification of known drivers and enablers of organizational competitiveness are likely. In the last ten years, the superiority and uniqueness human resource practices had gained recognition as a key source of competitiveness among a broad spectrum of firms (Ulrich, 2020). Ulrich (2020) stressed that there is a need to consider the next step to recover from the pandemic. The inquiry into the likely implications of human resource management (HRM) practices on organizational competitiveness appears essential in the forthcoming era after the disruptions arising from the Covid-19 pandemic. The Covid-19 has been a direct threat to human resources with indirect consequences to all other elements of an organization. As such, a greater need exist to attend to the HRM practices that should be addressed so as to resuscitate all other aspects of an organization and attain competiveness. The review question was: What is the Covid-19 induced HRM practices underpinning future organizational competitiveness

# **RESEARCH OBJECTIVES**

Given the shifts and complications in the sources of competitive advantage noted above, this study was formulated to explore covid-19 induced HRM practices for future organizational competitiveness. In order to achieve the stated objective, the research question was: What is the Covid-19 induced HRM practices underpinning future organizational competitiveness?

#### **Theoretical and Conceptual Framework**

HRM is a function that generally involves the management of acquisition processes, retention policies and exit strategies of human capital. In order to review how HRM is likely to contribute to the competitiveness of organizations, the systems view of organizations was evoked. As recognized in Dissanayake (2020) a number of theoretical frameworks have been applied in HRM studies including: Barney (1991) Resource based View (RBV) of the firm, Resource Dependency, the Agency Theory as well as the General systems theory. While recognizing the essential role that the wide spectrum of HRM theoretical frameworks play, the General systems theoretical framework was adopted as a lens for analyzing and classifying literature as well as for the interpretation of the results of the study. Claimed that many management scholars have found the systems view essential in analyzing phenomena in terms of inputs, processes and outputs. Mele et al. (2010) traces the foundations of the general systems theory to the classical philosopher, Aristotle, who called for the holistic interpretation of phenomenal. Hunter (2012) exposes those systems thinking has been the source of many management philosophies and strategies such a Total Quality Management (TQM) and Drucker's Management by Objectives (MBO) concept. Iwu et al. (2016) noted that systems theory offers in appropriate lens to analyse HRM as a subsystem of an organisation. In doing so, the HRM function seen in terms of inputs  $(x_1, x_2, \dots, x_n)$ , processes and outputs: HRM<sub>f</sub> =  $F([g(x_1, x_2, ..., x_n)])$ . Yawson (2012) explained that in term of the systems view of HRM, there are certain pre-requisites that act as inputs to the HRM systems and then there are processes that are done to realise desired goals. In the same manner, HRM for the future is likely to be composed of certain inputs that require processing to attain organisational competitiveness. Following these arguments, this study held that sustainable HRM for organisational competitiveness can be seen as composed of certain practices and processes which arise from certain inputs so as to produce certain outcomes. Therefore, the conceptual framework for the study can be set as follows: HRM = f (competitive inputs + competitive processes). In this way, a competitive HRM is expected to base on certain competitive inputs and processes which yield to a competitive organisation. Based on the above, the study was set to review: (1) Covid-19 induced HRM practices underpinning future organizational competitiveness (Muthuku, 2020).

#### METHODOLOGY

A literature review methodology was adopted to establish the possible sustainable HRM practices of the future with special focus into the implications of the Covid-19 pandemic and the 4IR on HRM. A snowball sampling of literature technique was adopted which started with key word searches on Google scholar and then using the bibliographies of cited authors to follow up on emerging themes. The key words that were used to search for articles were: HRM 4.0 and HRM post Covid-19. In reviewing the article, the first step involved studying the abstract to ensure that each article matched the study objectives. After the review of the abstract, the key

words of the article were noted and then the whole article was reviewed identifying how the key words were used in the article. Frequently used keywords were noted and taken to be the basis for emerging concepts and themes. To ensure that the articles addressed to themes emanating from the Covid-19 pandemic, key articles were restricted to those published in 2021 and in 2020. The first article was also selected purposively to ensure that it attended to the objectives of the study. A thematic review of the first article was conducted based on the key words stated for the article and the snowball sampling of further articles using the bibliography of the first article was done to ensure that the identified theme was expanded and further themes were identified. Themes were developed based on keywords and the frequency of their use so as to conclude that certain keywords reflected certain conceptual themes with implications on the research objectives. The search continued from one article to another, noting cases were an existing theme was repeated and gathering new themes until a point of saturation was deemed and no new themes were emerging. After the theme saturation phase, continued searches were conducted and theme frequencies were observed. Figure 1 shows the strategy followed to review the literature in this study. The steps followed in collecting data are shown in Figure 1.



#### FIGURE 1 LITERATURE REVIEW STRATEGY

# FINDINGS AND DISCUSSION

As impressed by the WEF (2018) people are at the Centre of production and are expected to change in relation to environmental imperatives, in this case to both the 4IR and the Covid-19 crisis. In view of this, the WEF(2020) predicts that sustainable HRM practices for future organizational competitiveness have to be characterized by: (1) Labour market capabilities induced by the 4IR, (2) capacity to employ recent HRM technologies that match new technological imperatives and (3) strengthening and modifying talent acquisition, retention and inclusion strategies that address the Covid-19 crisis through technological and non-technological

proficiencies. With much focus on the future impact of artificial intelligences in the forthcoming economic order, Girasa (2020) made a commentary of reports by the McKinsey Global Institute and noted that many people are expected to be replaced by machines in the workplace. In making these comments, sustainable HRM management is expected to be more concerned in the knowledge and skills based tasks as opposed to physical labour. Physical labour is likely to be overcome by machines (Girasa, 2020). Furthermore, there appears to be high expectation for future HRM to focus use artificial intelligences performing HRM functions thereby increase the speed and effectiveness of these tasks. Furthermore, the collection of HRM related big data and analytics in various fields of HRM such as performance management and psychometrics are expected to be stronger as aided by 4IR. In line with the resource based view of the view (RBV) (Barney, 1991), sustainable competitive advantage post the Covid-19 pandemic is likely to be based on superior human capital and HRM practices that embrace industry 4.0. The lens of the systems theory was also used to analyse the themes in terms of the systems theory. Table 1 shows the seven themes that emerged from the literature reviews that were conducted. In order to arrive at the themes indicated in Table 1, a coding system was followed. The coding involved searching for patterns in data collected including the identification of key words that were repeatedly used in the articles. Initially *in-vivo* codes were developed to track emerging patterns. These were then further developed into conceptual themes which were later taken for further analysis. The themes should be taken to imply dominant and frequently observed concepts from the articles that were reviewed in the study.

Table 1		
SUMMARY OF THEMES		
Themes		Sub-themes
Theme 1	Primacy of HRM	Talent management.
Theme 2	Increased cyber influences	Smart HR 4.0.
		Socio-cyber-physical systems
Theme 3	Digitalisation	ICT, web platforms
Theme 4	Remote HRM	Teleworking, virtual work, work from
		home
Theme 5	human -machine interface skills	Employee retraining and development
Theme 6	Human- organization strategic links	HRM 4.0 policy development
Theme 7	Human – technology interface competencies	Techno competencies

# Theme 1: Primacy of HRM

Despite the automation, digitalization and the electronic nature of future HRM as suggested in the literature reviews conducted, it has been observed that human resources will continue to be critical. Gigauri postulated that HRM will continue helping organizations to navigate future organizational systems. Al mala (2020) insisted that the Covid-19 pandemic collapsed industries because of the absence of people thereby demonstrating that without people, organizations will collapse. Omar (2021) stressed that HRM practices for the future will have to focus on the stronger management of talent to ensure that organizations are well staffed with the right talent required for competitiveness. Within the systems view, this theme recognizes the criticality of human resources to the post Covid-19 era.

# **Theme 2: Cyber Influences**

The literature emphasizes that organizations are slowly becoming cyber physical systems (Trotta & Garengo, 2018) and HRM practices are expected to be cyber-based to ensure that organizations remain competitive. It is also expected that there will be increased use of smart systems such as sensors, microcomputers and extensive networks in the future (Shamim et al., 2016). The adaptability of HRM practices in line with these systems is will also be paramount. In terms of the systems theory, cyber influences represent the environmental influences that often characterize open systems. Environmental influences are important since failure to respond to them can result in the collapse of an organization.

# **Theme 3: Digitalisation**

Significant literature continued to emphaisise digitalization of HRM to continue to play a central role for competitiveness in the future (Gigauri, 2020). Driven by ICT, HRM processes such as staffing, compensation, employee relations and development are expected to rely significantly on bid data, analytics and metrics. Digitalisation is expected to be aided by such technological devices and infrastructure as the internet, bid data, robotics as well as artificial intelligence. Digitalisation represents a description of the nature of processes in the post Covid-19 era.

# Theme 4: Remote HRM

The covid-19 pandemic resulted in the increased adoption of remote working, e-working and other work management systems that address the need for virtuality that emerged as a result of the Covid-19 crisis (Dlamini & Ndzinisa, 2020). Gigauri (2020) argued that online workers and electronic platform based work arrangements will continue dominating the future world of work. The International Labour Organisation [ILO] (2018) maintained that digital platforms have led to crowd working and web based work platforms which are likely to change the definition of a workplace. In the lens of the systems theory, remote working represents a description of the nature in which HRM processes are likely to be conducted in the future.

#### **Theme 5: Human-Machine Interface Skills**

Trotta and Garengo's study (2018) showed that the talk and increased adoption of HR 4.0 poses a further challenge of skills within HRM. Several other studies in the literature found evidence that the adoption of HR 4.0 technologies will result in skill inadequacies within HRM departments. Supports these views and asserted that HRM in the future will heavily rely on the execution of adequate machine skills to ensure the effective use of articial intelligence, robotics, web platforms and other digital systems for the competitiveness of organizations. As envisaged within the systems theory, machines represent inputs within the systems since they used to perform processes. As inputs, they should be available and people should be able to use them with easy and effectively

# Theme 6: Human – Organizational strategic links

It emerged from the literature reviews that were conducted in this study that the. emergence of industry 4.0 makes it imperative for the development of an HR 4.0 policies that links HR to industry and organizational developments (Gan & Yusof, 2019). The strategic role of HRM in organizations has already been popularized in the literature. Earlier writings such as those of MacDuff (1995) or Becker and Huselid (2006) have established a significant link between certain HRM practices and organizational success. It appears that the strategic role of HRM will continue in future. Strategic links considers the fact that the HRM department is a subsystem of the whole organization; as such it is subject to dictates of the entire organization and should ensure that the contribution they make is positive for the whole system

#### **Theme 7: Human – Technology Interface Competencies**

Development of people's capabilities, knowledge, skills and competencies to use and interpret various 4IR technologies in line with industry 4.0 and HR 4.0 (Shamim et al., 2016). Kumar et al. (2019) noted the increased need for proficiency in technology among HRM due to increased virtuality. In particular, the increased use of technologies means impresses that everyone be good in Information Technology (IT) to ensure required maintenance of network serves, connection infrastructure and other technological paraphernalia is sustained. Technology also represents the essential component that is expected to affect both processes and outputs of the whole system.

#### CONCLUSION

The study was set to explore the Covid-19 induced HRM practices underpinning future organizational competitiveness. To this effect, the study established seven emerging themes which are likely to inform the nature of HRM in future. In brief, the study found evidence that there are strong indications for HRM to be transformed to HR 4.0 which will be characterized by the essential role that HRM will play to ensure organizational success, high digitalization and increased virtualization which will be assisted by the use of the 4IR technologies such as artificial intelligences, robotics, Nona-technologies, web platforms, high connectivity as well as computerization

# RECOMMENDATION

Following the findings of this study, HRM practices in organizations are recommended to progress to HR 4.0 through increased digitalization and automation. HRM should also strengthen its role as a critical component for the success of organizations. Governments are also recommended to support businesses and ensure that there is an enabling environment for the adoption of HR 4.0.

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