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# **Introductory Chapter: Human Resources in the Twenty-First Century**

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## **1. Introduction**

In the past, the human resources (HR) department only sought to recruit employees based on the vacancies available within the company. However, in today's global market, the HR discipline has evolved and now HR personnel seek new talents to recruit by analyzing their potential in the workplace and the competitive advantage they can provide over rival companies. Hence, there has been a shift in the mindset of the HR department, from filling the gaps within the organization to looking for ways to gain a competitive advantage.

Globalization has turned what was once a domestic market into a global network that has changed the way HR functions. As such, human capital became less predictive and more opportunities for employees became accessible than before. Therefore, there was a need for HR to develop and change in order to better manage the recruitment and employee process. This shift in policy design was changed by the HR experts to accommodate the changes in today's market and to further enhance the capabilities of the company by developing effective human resource management (HRM).

HRM has changed the way firms treat their employees to accommodate their needs to increase their loyalty and productivity in their allocated position. This helped establish a positive atmosphere that can influence and comfort employees within the company, thus increasing their determination and the dedication to their work. Human resource planning (HRP), a subpart of the strategic development of HRM, is the procedure of forecasting the best allocation of human capital within a firm to achieve the highest possible levels of efficiency [1]. HRP thrives on the study of past and current data to predict future elements that would help in the process of creating a strategy. Through human resource planning (HRP), companies

can make sure that all personnel are working in their maximum capacity in their current job. As a result, HRP determines that all employees are in the right place at the right time, which enhances the efficiency and productivity of the company.

## **2. Current HRP trends**

The effects of globalization along with the development of technology on businesses and recruitment changed many factors regarding the employees work potential and the way they interact in the business. The development and importance of HRP is apparent to the company's future. The following functions are among the many roles of HRP [2]:

1. Recruiting and maintaining an ethnic, gender, and religious diversity in the workplace.
2. The ability of forecasting and adapting to change, in order to increase productivity by planning for a long-term strategy ahead of the competition.
3. The safety and well-being of employees in the workplace.
4. A benefit system to guarantee an appropriate workplace environment that results in the satisfaction and the productivity of the employees.

## **3. Modern tools of HRP functions: a move toward technology**

HRP equips the company with a strategic plan for recruitment. Today, the internet became the global network that connects people together which in return influenced how organizations pursue their recruitment policy. In the past, companies would have to place advertisements in newspapers and recruitment agencies, but in today's technological world, résumés can be handed via the internet and can be uploaded to online networks to be accessed by anyone, anywhere, and at any time in the world. Technology in the twenty-first century became an essential tool that companies rely on as a necessity rather than a luxury. By staying up-to-date and by devising new ways to integrate technology within the planning process, companies gain a competitive advantage. This includes developing the software and the computerized systems of control that can help the human resources planning process.

### **3.1. Human resources and information technology**

Human resources information system (HRIS) is a mixture between the benefits of information technology (IT) and human resource management processes to increase the productivity of HRP [3]. It is a computer interface that helps HR managers with skill inventorying, data analysis of job practice, and manpower needed to reach maximum efficiency. HRIS works on obtaining information, inspecting, and then archiving the accumulated knowledge that can be accessed by the human resources manager. HRIS systems can self-regulate much of the human resources planning tasks, which make it a significant tool that can reduce the time and effort for the HR manager while increasing productivity [3]. At the current time, HRIS

programs have become a normal tool used in all companies. HRIS have a dual purpose in the workplace: first is the complicated ability to track the development of the employees, and second, it can store attendance records and salary output; this can be attributed as the less complicated ability [3].

### **3.2. Modern methods of recruitment: all happens virtually**

Human resource planning (HRP) constantly tries to maximize efficiency and, therefore, plans to stay ahead of other competitors. HR planners examine the available human capital in the company and then determine whether to recruit from within the company or from external sources. Applicants must be considered under two aspects during recruitment: the first is their current skillset and the second is their potential to meet or exceed the employers' requirement [4]. The result of globalization changed how HR professionals assess candidates. Recruitment utilized in today's global market has opened up new ways of acquiring talent. The followings are among the new recruitment methods used by HR professionals [1]:

- Outsourcing: is a method of recruitment used in HRP that employs an outside worker or company to get a certain job done.
- Global sourcing: is one of the effects of globalization and rapid technological advances where companies would attempt to lure talent from around the world to gain a competitive advantage over their rival companies.
- Local recruitment: companies usually target their domestic labor market to acquire talent. This method of recruitment is also based on the current form of the economy, which can determine the constant availability of potential employees in the market.
- Skill inventory: modern HRP began to create a skill inventory to help HR professionals during the recruitment and job analysis phase. It helps them see the current level and future potential of employees that are currently in the company.

## **4. Current functions of HRP**

Human resource planning has many responsibilities such as recruitment, job analysis, skill inventorying, performance appraisal, compensation, and rewards. The current HRP process can be simplified by categorizing them into three phases:

First phase: the first step of the HR professional in the first phase is to conduct a job analysis. A job analysis is the assessment of all current jobs within the company and determining if their current job description coincides with the company's vision [5]. Due to new technological advances and changes, certain jobs are being rendered obsolete or are being merged to perform multiple roles [6]. The second step involves recruitment and entry-level training of employees. Recruitment is a major responsibility of HR professionals, and they have an assortment of ways to find talented candidates among the global or domestic labor force. During recruitment, the HR expert relies on the assessment of the outcomes of job analysis and the data from the skill inventory [7].

Second phase: the second phase revolves around the plan for development and practice to current employees in the company. HR professionals conduct a performance appraisal for all the employees to determine their current level as well as their future potential in the company. All of the data taken would be stored in the skill inventory to be used during the first phase. A development plan also explores ways to train the current staff and, in a few cases, to elevate any eligible employee to a higher position.

Third phase: the third phase covers the exit strategy planned by HR professionals for leaving or retiring personnel. This prompts the HR professional to quickly hire or to attempt to relocate human capital to the vacant position. In case of retiring individuals, a knowledge gap will also need to be filled; therefore, HRP can help create a mentorship program to ease the new employee in the position.

## 5. Future of HRP: a move toward artificial intelligence

In the digital era, current human resource planning is leaning toward a more machine-based system. The benefits of cutting-edge technology can help HR planners greatly increase the efficiency and their ability to forecast future needs and wants. The future of HR lies in data analytics that compiles all the information on employees, including their upbringing, experience, performance, and skillsets and monitors them via a computerized interface [8]. A couple of examples where data analytics and machine learning could help HRP in the future [8] are as follows:

- The development of computer programs that could predict which applicant's résumé fits the desired position using an algorithm-based process.
- Programming machines using accumulated data to predict the probability of employees exiting the company.

Human resource planning is creating strategies around machine run data. The resulting benefit makes artificial intelligence (AI) an important asset that would decrease the time spent on recruitment and increasing its effectiveness while also providing applicants with a fair assessment.

## 6. Summary

HRP seeks to constantly maintain maximum efficiency and effectiveness by examining employee functions in their jobs. To increase the performance of a company, HRP focuses on elements such as staff satisfaction, compensation, and incentives to keep up moral in order to achieve the highest possible performance from the employees [9]. HRP covers the role of recruitment, job analysis, performance appraisals, and skill inventorying to gain a competitive advantage. The extracted data during HRP are required to keep track on the human

capital functioning within the company. While the task of compiling accurate data may be difficult, advances in technology play a major role in today's HR function to help automate the work and make it easier.

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