

# Innovative Strategies In Human Resource Management: Optimizing Organizational Performance In The Digital Age

**Khalifachri Albi<sup>1</sup>**

Universitas Tangerang Raya, Indonesia<sup>1</sup>

Email: khalifachrialbi@gmail.com

\*Correspondence: khalifachrialbi@gmail.com

**ABSTRACT:** In the ongoing digital era, organizations are faced with various changes that require them to optimize performance in order to remain competitive and sustainable. One approach that can be used to improve organizational performance is through human resource management, given the important role of humans as assets for organizations. The focus of this research is to analyze innovative strategies in human resource management that can improve organizational performance in the digital era. This research uses qualitative methods with data collection techniques through literature studies. After the data is collected, data analysis is carried out which includes the stages of data simplification, data presentation, and conclusion drawing. The conclusion of the research explains that innovative strategies in HRM such as leveraging technology to improve HRM implementation, establishing an innovative and adaptive organizational culture, focusing on developing employees' digital skills, implementing effective talent recruitment and retention strategies, and conducting regular evaluations of these strategies, are able to overcome challenges that may arise during HRM implementation in organizations. Thus, these innovative strategies will help improve HRM implementation, and ultimately optimize organizational performance in the digital era.

**Keywords:** Innovative strategies, Human Resource Management, Organizational Performance

## INTRODUCTION

Over time, technology has made very significant advances, bringing us into a new era that profoundly changes the social, cultural, and political landscape. The emergence of this new era has sparked widespread interest from various circles of society to adopt technology in their daily lives. Technology provides extensive convenience, covering a wide range of activities ranging from communication, access to information, financial

transactions, education, to entertainment and personal needs. The most striking change is the shift from manual to digital processes, which is often referred to as the digital age. This digital age marks a major shift in the way humans interact with technology, using data as a key component in various electronic activities. This allows individuals to communicate without being limited by space and time constraints, thereby speeding up the

process and increasing efficiency (Danuri, 2019).

The changes taking place in the digital age have also changed the demands for organizational performance, forcing them to become more distinct and more competitive. Competition in the market is becoming fiercer, and companies that are unable to compete will be left behind by the market. Today, businesses face greater challenges due to an increase in the number of competitors and high buyer expectations for the quality of goods, low product costs, and convenience in obtaining products. To stay competitive, every company needs to create strong competitiveness. They are required to improve their performance in the production process in order to excel in certain fields compared to their competitors (Mubarok et al., 2024).

Organizational performance refers to the level of overall organizational effectiveness in meeting the needs of various parties involved, through coordinated and continuous efforts to improve organizational capabilities (Ismiyarto, 2017). The importance of organizational performance lies in its very vital role in the achievement of organizational goals and success. Optimal performance enables organizations to achieve their goals effectively, resulting in improvements in profits and profitability. Then in the end, good organizational performance is able to increase the competitiveness of the organization in the market.

The existence of organizational performance that has an impact on organizational sustainability, this impact then requires every organization to find strategies to improve their performance optimally. One of the strategies that can

be applied is by managing human resources in the organization (Ramadhani et al., 2023). Human resource management is a crucial approach for organizations, this is because human resources are considered the most important assets in achieving organizational goals (Apriliana & Nawangsari, 2021).

A previous study conducted by (Arini, 2024), analyzed innovative strategy efforts in Human Resource Management at Bhayangkara Wahyu Tetuko Hospital Bojonegoro with the aim of improving organizational effectiveness. The research found that the health facility has adopted various creative measures, such as the use of the latest ICT, developing staff skills, encouraging a culture of cooperation, and improving the stage of finding new employees. The conclusion of these findings is that innovative steps, by implementing effective measures, play an important role in optimizing the effectiveness of HRM at the hospital.

According to another study conducted by (Rosmajudi, 2023), analyzing the right steps in HR that aims to increase the possibility of employees for the company's advantages. The results of the study show that the implementation of HR strategies that focus on innovation and sustainability allows organizations to maximally develop the possibilities of employees and foster an effective and sustainable work culture. Then, an approach that integrates morals and social obligations for determining steps related to human resources becomes the foundation in forming a moral organizational culture. This strategic approach is believed to be able to make a significant contribution in

achieving continuous organizational improvement.

The difference in research carries a new approach, which focuses on innovative strategies in managing human resources to optimize organizational performance in the midst of the digital era. Through this research, it is hoped that new methods can be found that can help organizations to adapt to transformation in the current situation. The contribution of the research results is expected to provide valuable insights and recommendations for the organization. Thus, the purpose of the research carried out is to examine innovative strategies in human resource management that can optimize better organizational performance in the digital era.

### **RESEARCH METHODOLOGY**

This study utilizes methods with a qualitative approach, which allows a holistic and deep understanding of events in life. This approach allows researchers to explore and understand various aspects of complex social contexts, such as behavior, perception, motivation, and human interaction, using narrative description and language as the main tools of analysis (Hennink et al., 2020). The method in data collection uses literature studies, where researchers search, select, and analyze various previously published sources of information relevant to the research topic. Information used is information that has been obtained from various sources, such as books, scientific journals, articles, research reports, and documented official documents. After the data is collected, analysis is carried out with stages of data reduction to filter

and tidy up information, presentation of data to facilitate understanding, and drawing conclusions to interpret the data.

### **RESULT AND DISCUSSION**

Human resources are now considered as vital resources for each organization. They are seen not only as the focus of assets that are used carelessly, but are used as key strategic elements. Their role is very important and vital because nothing can replace the unique contribution they make. Although technology continues to evolve and large amounts of funds are available, if there is no involvement by high-quality human resources and expertise, all of that will be meaningless. Thus, assets in the form of human resources must be considered accordingly, so that their potential can be optimized properly (Martoredjo, 2015).

In general, human resources refers to everyone related in an organization, who has the same goal focus as the organization. They are considered as assets that have the possibility to be developed, provide participation, and important use in achieving organizational goals (Huzain, 2021). Another opinion according to Veithzal Rivai in (Pristiyono & Sahputra, 2019), added that human resources include input elements along with capital, materials, machines, and other methods / technologies that are modified with production steps to produce output in the form of products or services for the organization.

This human resource includes individuals involved at various levels in the organization, ranging from the level

of leaders or top managers, middle managers, to staff or employees, including investors or financiers. The following is the role of human resources in the organization according to (Suryapranatha & Lestari, 2022):

1. Human resources as labor.

Human resources are considered as labor, that is, individuals in the working age range who have the ability to do work in a unit of time, both for the benefit of themselves and others.

2. Human resources as experts.

Refers to individuals who have special expertise or in-depth knowledge in a particular field. They are people who are experts in a particular job or discipline, and they can make valuable contributions in problem-solving and organizational strategy development.

3. Human resources as company leaders.

In this role, human resources become the main leaders or decision makers in the organization. They are responsible for the direction and strategy of the organization and oversee day-to-day operations. Company leaders can be CEOs, directors, or other senior managers who lead and manage the organization.

4. Human resources as entrepreneurs.

Refers to the role of human resources as individuals who have an entrepreneurial and innovative spirit. They may be involved in developing new ideas, leading innovative projects, or even setting up new businesses. Human resources with an entrepreneurial nature can help organizations to develop and adapt to changing business environments.

This means that the role of human resources is not limited only as workers, but also as leaders, experts, and

entrepreneurs who have a significant impact on the progress and survival of the organization. Given the importance of this role, human resources must be treated with care and in accordance with their values, so that their potential can be utilized to the fullest. To take advantage of the possibilities that HR has well, requires careful management, carrying it out regularly, and controlling continuously. It aims to achieve optimal organizational performance. For this reason, there must be a process of organizing and controlling in order to manage HR, or what is known as human resource management.

Human resource management (HRM) is a managerial domain specifically focusing on the interactions and functions of individuals included in the organization. This relates to how to utilize human labor in doing work in order to achieve an optimal level of effectiveness and efficiency in achieving company goals, the success of individual employees, and the welfare of society as a whole. This means that HR involves efforts to manage and optimize the contribution and potential of human resources in order to achieve overall organizational success (Susan, 2019).

According to Sastradipoera (2006) in (Martoredjo, 2015), the usefulness of HRM has changed, which initially generally changed with new views. The old view is more inclined to the traditional system, focusing on employee management in the process of recruiting new employees, selecting employees, managing, developing, assessing employees, and dismissing employees. On the other hand, the new view of HR has a strategic role in organizations. Its usefulness is no longer limited to administrative matters, but

rather emphasizes efforts to obtain and maintain differences in organizational competition. This is achieved by various activities in monitoring the allocation of funds, strengthening competitiveness resilience, maximizing the utilization of organizational resources, as well as active management in spurring innovative and adaptive from the organization. So according to the new paradigm, HRM strengthens its strategic role in supporting the success and growth of the organization.

The purpose of HRM is to maximize productivity and participation of humans or workers in an organization optimally, appropriately, and have moral obligations. The importance of HRM in the organization is to ensure that the organization's expectations can be achieved with the initial goals, by involving individuals involved in it. Through ensuring that these individuals have the ability to learn, adapt, innovate, and encourage creativity, organizations can ensure their long-term survival through high motivation from their members (Huzain, 2021). However, although effective HRM can improve organizational performance, there are still various challenges faced by HRM, both from outside and from within the organization itself. These challenges can hamper management's efforts in managing human resources effectively.

External challenges faced by human resource management include the diverse cultural backgrounds, values, ages, and educational levels of the workforce entering the organization, as well as the impact of changes in technology, the economy, and competition in the marketplace. In addition, the necessity to comply with

government regulations that can change is also a challenge for HRM. On the other hand, internal challenges include demands given by trade unions that put pressure on the organization, the provision of effective personnel information systems, cultural differences between organizations, as well as frequent changes in organizational structure. In addition, human resource management is also faced with the need for HR members who have sufficient professionalism, expertise, knowledge, level of education, and experience to make a significant contribution to the achievement of organizational goals. This is becoming increasingly important in the era of globalization, where high competence is needed to manage organizations well (Mutafi, 2020).

To overcome these challenges, several innovative strategies in HR can be applied to optimize organizational performance in the digital era. The first strategy is to utilize technology to improve the application of HRM. Information and communication technology is now a key aspect to make changes in organizational operations. Organizations that are able to adapt and utilize this technology, will be able to have competitive advantages in the business sphere (Sudiantini et al., 2023). This means that the use of technology by organizations in the HR system is interpreted as a response to changes that occur and its utilization is sought to increase the effectiveness of HRM.

The application of technology in HRM, has several significant benefits. First, technology provides accurate and trustworthy data, which can be used for more effective HR decision making. Second, technology increases

effectiveness in the HR recruitment and selection process. Third, technology facilitates employee development and performance management by providing computerized performance objectives, oversight, and feedback. Fourth, technology also enables more effective employee training and development by helping to identify data-driven training needs and making training scheduling easier (Hijrasil et al., 2023).

The benefits provided by the application of technology in human resource management make it a must for organizations to adopt technology in their HRM. Some of the commonly used technologies in human resource management are as follows:

1. HR Information Systems (HRIS)

HRIS is software that assists HR professionals in managing employee information, including payroll, benefits, attendance, and performance evaluation. HRIS enables tracking and analysis of employee data, as well as facilitating efficient communication between HR staff and employees.

2. Applicant Tracking Systems (ATS)

An ATS is software that assists recruiters in managing job applications and resumes. An ATS allows recruiters to filter applications based on various criteria such as education, experience, and skills. ATS also helps in scheduling interviews and sending rejection letters automatically.

3. Learning Management Systems (LMS)

LMS is software that assists organizations in managing employee training and development. LMS allows HR professionals to create and deliver online courses, track employee progress, and assess learning outcomes.

After adopting technology in HRM, it is also important to form an organizational culture that is able to innovate and adapt to change. According to Schein (2009) in (Anshari et al., 2014), organizational culture is a model of fellow habits that emerges from one group to face obstacles and challenges by adapting to changes in the external environment and integration within the organization itself. This pattern has been well formed and tested until it is declared correct, so that the pattern is passed down to new employees as a suitable model to help understanding, thinking and feelings in relation to overcoming the obstacles faced by the organization.

Experts state that every company has an organizational culture, whether it is created intentionally by management or not. The difference lies in the control and direction of the culture. A strong organizational culture supports corporate goals, while a weak or negative culture can hinder or conflict with organizational goals (Edison et al., 2016). Thus, organizations can develop an organizational culture that supports the implementation of HRM in several ways. First, it creates an open and flexible work environment, where employees feel comfortable to express their ideas and try new things. Second, it encourages continuous learning and development by providing opportunities for employees to learn and develop their skills. Finally, reward innovation and creativity, so that innovative and creative employees feel valued and recognized for their contributions.

The next strategy is to prioritize the development of employees' digital skills. This development can be carried out informally, where the employee

independently trains and develops himself by studying literature relevant to his job or position. Or development can also be done formally, where the company assigns employees to attend education or training, either organized by the company itself or by external educational or training institutions (Bariqi, 2018).

The purpose of this development is to improve the professional quality and skills of the employees so that they can carry out their duties and functions optimally. Employee skill development efforts are intended to improve the work skills of each employee, so that in carrying out their duties, they can be more efficient and productive (Busono, 2016). It is undeniable that skilled employees, coupled with high work motivation, have a great impact on work productivity. Therefore, organizations need to emphasize the importance of developing employee skills, especially digital skills.

Organizations can take the following steps in the development of employees' digital skills, first, identifying the digital skills necessary to achieve the organization's strategic goals. Second, providing training and digital skills development to employees. Then third, encourage employees to continue learning and improving their digital skills on an ongoing basis. Implementing these measures, companies can ensure that employees have the skills needed to cope with the challenges of increasingly complex work in the digital age, thereby improving the productivity and overall performance of the organization.

The next strategy that is no less important is to build an effective recruitment and talent retention

strategy. Recruitment is the process of finding potential employees for a job position, with the aim of encouraging them to apply and join the organization. It involves identification, withdrawal, and selection of suitable individuals to meet the human resource needs of the organization (Kumara, 2018). On the other hand, employee retention is a company's effort to retain employees who have good quality and potential in order to remain loyal and contribute sustainably to the progress of the company. Thus, employees feel motivated to keep working and give dedication to the company they work for (Rahmawati, 2019).

Both of these aspects are equally important because recruitment helps organizations attract top talent to fill vacant positions, while employee retention helps organizations retain existing talent from moving to other organizations. To achieve this, organizations can take steps such as leveraging social media platforms for recruitment, offering competing compensation and benefits packages to attract and retain top talent, and creating a brand image as an attractive and respected workplace. Implementing these strategies, organizations can improve their ability to attract top talent, and retain existing talent, which in turn will contribute to the long-term success of the organization.

After these strategies are implemented, it is also important to measure and evaluate the performance of HRM. Performance measurement aims to assess the extent to which the strategies and objectives that have been set can be achieved, so that they can be evaluated to see their effectiveness.

Performance evaluation becomes important in a business context as it helps in verifying the extent to which the definition and implementation of a strategy over a period of time has been successful. Performance evaluation also helps identify weaknesses or shortcomings that still exist in the organization, so that they can be corrected to improve the performance of business units in the future (Tarigan & Sinaga, 2022).

To measure and evaluate the HR strategy, organizations can take the following steps, first, they need to determine the metrics or measurements that will be used to assess the effectiveness of the strategy that has been implemented. Thereafter, they should routinely conduct performance evaluations to identify areas where improvement is needed. The use of data and analytics is also important in making better decisions by providing supportive insights and information regarding which strategies to improve. Through these steps, organizations can ensure that their HR runs effectively and contributes optimally to the achievement of organizational goals.

From these results, innovative strategies in HRM are able to overcome obstacles that become challenges in implementing HRM for organizations. It aims to ensure that HRM can operate smoothly for the organization, with an impact that optimizes organizational performance in today's fast-changing digital era.

## CONCLUSION

The challenges that arise in the implementation of HRM for organizations emphasize the importance of adopting innovative

strategies. This is due to human management which is the most crucial aspect for the success of the organization. Innovative strategies in HR include the use of technology to increase effectiveness, the formation of an adaptive organizational culture, emphasis on developing employees' digital skills, building recruitment and talent retention strategies, and regular evaluation of these strategies. From these results, innovative strategies in HR are able to overcome obstacles that are often faced in their implementation in organizations. The goal is to ensure that HR functions optimally, resulting in an impact that optimizes organizational performance amidst rapid changes in the digital age.

## REFERENCES

- Anshari, H., Masjaya, H., & Amin, H. J. (2014). Pengaruh Komunikasi Organisasi Dan Budaya Organisasi Terhadap Kinerja Pegawai Bagian Sosial Sekretariat Daerah Kabupaten Kutai Timur. *Jurnal Administrative Reform*, 2(3), 397–409.
- Apriliana, S. D., & Nawangsari, E. R. (2021). Pelatihan Dan Pengembangan Sumber Daya Manusia (Sdm) Berbasis Kompetensi. *Forum Ekonomi: Jurnal Ekonomi, Manajemen Dan Akuntansi*, 23(4), 804–812.
- Arini, V. W. (2024). Strategi Inovatif Dalam Manajemen Sumber Daya Manusia Rumah Sakit Bhayangkara Wahyu Tetuko Bojonegoro: Analisis Studi Kasus Pada Implementasi Praktik Terbaik Untuk Peningkatan Efektivitas Organisasi. *Jurnal Medika Malahayati*, 8(1).
- Bariqi, M. D. (2018). Pelatihan Dan



- Pengembangan Sumber Daya Manusia. *Jurnal Studi Manajemen Dan Bisnis*, 5(2), 64–69.
- Busono, G. A. (2016). Pengaruh Sistem Pelatihan Dan Pengembangan Karyawan Terhadap Kinerja Karyawan Pt. Persada Sawit Mas (Psm) Kecamatan Pampangan Kabupaten Ogan Komering Ilir. *Muqtashid Jurnal Ekonomi Syari'ah*, 1(1), 81–114.
- Danuri, M. (2019). Perkembangan Dan Transformasi Teknologi Digital. *Jurnal Ilmiah Infokam*, 15(2).
- Edison, E., Riyanti, A. A., & Yustiana, D. (2016). Budaya Organisasi Dalam Aspek Peningkatan Kinerja Karyawan (Studi Kasus Di Hotel Perdana Wisata, Bandung). *Tourism Scientific Journal*, 1(2), 134–151.
- Hennink, M., Hutter, I., & Bailey, A. (2020). *Qualitative Research Methods*. Sage.
- Hijrasil, H., Maisharah, S., Widodo, Z. D., Darsono, D., & Manuhutu, H. (2023). Penerapan Teknologi Hris (Human Resource Information System) Dalam Meningkatkan Efisiensi Dan Efektivitas Manajemen Sdm. *Jurnal Pendidikan Tambusai*, 7(2), 7074–7085.
- Huzain, H. (2021). *Pengelolaan Sumber Daya Manusia*.
- Ismiyarto, I. (2017). Penilaian Kinerja Unit Pelayanan Pada Organisasi Publik. *Jurnal Ilmu Pemerintahan Suara Khatulistiwa*, 2(2), 12–29.
- Kumara, L. (2018). *Pengaruh Rekrutmen Dan Employee Empowerment Terhadap Retensi Karyawan Dengan Kepuasan Kerja Sebagai Variabel Intervening Pada Hotel Grand Inna Malioboro Di Yogyakarta*.
- Martoredjo, N. T. (2015). Peran Dimensi Mentoring Dalam Upaya Peningkatan Kualitas Sumber Daya Manusia. *Humaniora*, 6(4), 444–452.
- Mubarok, A., Faturochman, E., Dedy, A., Noor, C. M., & Wiguna, W. (2024). Pengaruh Budaya Organisasi Dan Kualitas Sumber Daya Manusia Terhadap Daya Saing Pada Bandung Wallpaper. *Jurnal Sains Manajemen*, 6(1), 45–51.
- Mutafi, A. (2020). Pilar-Pilar Manajemen Sumber Daya Manusia (Msdm) Dalam Menghadapi Era Global. *Manarul Qur'an: Jurnal Ilmiah Studi Islam*, 20(2), 106–125.
- Pristiyono, P., & Sahputra, R. (2019). Studi Komparatif Tentang Implementasi Total Quality Management Terhadap Kualitas Sumber Daya Manusia Dan Kepemimpinan Sebagai Variable Moderating. *Informatika*, 7(1), 32–43.
- Rahmawati, H. A. (2019). Pengaruh Manajemen Talenta Terhadap Kinerja Karyawan Melalui Retensi Karyawan Pada Pd. Bpr Bank Daerah Lamongan. *Jurnal Ilmu Manajemen*, 7(2), 419–429.
- Ramadhani, M. A., Setiawan, Z., Fadhilah, N., Adisaputra, A. K., Sabarwan, D. N., Maranjaya, A. K., & Tawil, M. R. (2023). *Manajemen Sumber Daya Manusia: Mengoptimalkan Potensi Dan Kinerja Organisasi*. Pt. Sonpedia Publishing Indonesia.
- Rosmajudi, A. (2023). Strategi Efektif Dalam Manajemen Sumber Daya Manusia: Mengoptimalkan Potensi Karyawan Untuk Keunggulan Organisasi. *Attractive: Innovative Education Journal*, 5(2), 639–652.

- Sudiantini, D., Naiwasha, A., Izzati, A., & Rindiani, C. (2023). Penggunaan Teknologi Pada Manajemen Sumber Daya Manusia Di Dalam Era Digital Sekarang. *Digital Bisnis: Jurnal Publikasi Ilmu Manajemen Dan E-Commerce*, 2(2), 262–269.
- Suryapranatha, D., & Lestari, N. (2022). Pelatihan Manajemen Sdm Meningkatkan Kinerja Umkm Desa Kertasari. *Prosiding Konferensi Nasional Penelitian Dan Pengabdian Universitas Buana Perjuangan Karawang*, 2(1), 2507–2515.
- Susan, E. (2019). Manajemen Sumber Daya Manusia. *Adaara: Jurnal Manajemen Pendidikan Islam*, 9(2), 952–962.
- Tarigan, W. J., & Sinaga, M. H. (2022). Analisis Pengukuran Kinerja Untuk Mengevaluasi Perencanaan Strategis Dengan Menggunakan Balance Scorecard. *Owner: Riset Dan Jurnal Akuntansi*, 6(2), 1194–1207.



© 2024 by the authors. Submitted for possible open access publication under the terms and conditions of the Creative Commons Attribution (CC BY SA) license (<https://creativecommons.org/licenses/by-sa/4.0/>)