



# Workplace in the Digital Age & Challenges for HR (Human Resource)

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**Abstract:** Whether we talk about E-Commerce or any regular business, it will always be fueled by a major energy, which is, its people or the Human Resources. Simultaneously e-work spaces & digitalization will have an impact on the physical nature of its workplace or workspace which will impact the way of working of people.

This is also changing the working style of traditional brick and mortar organizations. All this will also affect the traditional Human Resource Management (HRM) practices, right from engagement to retention.

We will be analyzing these current trends in Workplace and its impact on HR with the help of articles which have appeared in the leading Indian Newspapers & on Internet.

**Keywords**—Co-Working, Digitalization, HR-Human Resource, Employees, A.I-Artificial Intelligence, IOT-Internet of Things, Automation, Robots, TOI-Times of India, ET-Economic Times & HT-Hindustan Times

## I. INTRODUCTION

With the advent of the fourth revolution or Industry 4.0 in the form of digitalization, the way of working is going to be more disrupted with advanced technology like Artificial Intelligence, IOT (Internet of Things) and other related technologies leading to the complete transformation of the workplace.

Similarly workplace in organizations, in India, is also going through revolutionary changes, which started initially mainly because of Google which due to its unique workspace layout peppered with comfort and facilities like Google Café positively impacting the productivity of its employees. In examples from Times of India-TOI [1], Coca-Cola office in Gurugram, India has up to 50% open space for its employees, helping to improve collaboration and enhance interaction between employees. Facebook office [2] in Gurugram has a navigator app for its employees to find any room due to its workspace arrangement.

This combination of technology and facilities has paved the way for Co-working options in the smaller organizations, like for early age start-ups, e-platforms or only app based companies due to its ability to improve the synergy between teams in a vibrant atmosphere and at the same time providing a similar (informal & open) atmosphere to work in. It proves convenient for such organizations who don't want to spend too much on building an office infrastructure. The Budget plays a vital role as well as flexibility in opening an office anywhere in the country.

Co-Working spaces also help as there is provision of basic necessities [3] such as Wi-Fi, electricity, furniture, food & beverages. All of these facilities help organizations, e-commerce companies or any start-up with lesser number of employees to save a lot on establishment costs.

## II. EMERGING TRENDS

Co-working hence, is now the fastest emerging trend in India. Co-Working perhaps also helps towards work-life integration which is now generally seen in organizations with large campuses involving combining amenities (ATM, Gym, Grocery Stores, Food Court, etc.), at office premises with technology, wellness and overall mental health, as these co-working spaces are generally based in market hubs where all of this is in the vicinity [3] [4].

Another advantage therefore, is the location of these spaces. As they are conveniently located, the employees therefore have the advantage of easy access as well easy connect with their prospective buyers.

The rise of coffee shops such as Starbucks and other cafes offering their premises for work is now fueling this trend rapidly, again due to location accessibility and convenience factors [3]. It becomes a win-win situation as start-ups get space to work from and cafes get steady revenues.

The Hive is another similar concept of Collaborative [5] by Virtuous Retail. In Its Plug & Play model, it provides more than a desk and the internet. It gives conference, Skype and telephone rooms with all the requisite privacy. The startup working out of a few cubicles also has the access to 500,000 Sq. feet of malls many offering. There is also a hotel next door for people to stay.

Then there are even smaller start-ups with headcount generally less than double digits and have no direct client interface are experimenting with natural locations devoid of any disturbance [6]. They prefer to work out of beaches, mountains or any other outdoor location.

This helps the start-ups as the one is able to pursue passion and adventure while being at work at the same time. The only necessity in this case is accessibility to internet or WI-FI. This perhaps helps the team to adapt in different environment and challenges adding to the mental fitness for complex problems besides the novelty factor. One can argue the cost but this is definitely an emerging trend albeit in its early stages.

The Third upcoming trend, is applying of Smart Technologies at Workplace for improving Employee Productivity as well as optimum utilization of Workplace.

Smart Technologies like AI and IOT (Internet of Things) are being used, which are redefining workplaces. To quote TOI in 2018 [17], "*IOT is a big network of devices equipped with sensors, transducers and software which collect data from various sources, refine it and exchange it through communication hardware.*" These are used for improving employee efficiency and convenience, through extensive data mining, again by the application of Smart Technologies.

A Fourth Revolution is the one which is happening for blue collar workers [8]. Not Only Offices but Factory Floors are also undergoing major transition in way workers work. Paccar's Semi truck manufacturing unit Kenworth has started using Microsoft HoloLens, which combines digital imagery with real world. It helps the worker by overlaying digital arrows over the parts he is looking for. Since it is guiding at every step, it helps in improving the productivity, efficiency on one hand and at the same guide any novice who is still learning the ropes of the job. The Remote Assist Version lets a worker in the field interact with a specialist elsewhere. This also helps an expert in a remote location see what the factory technician sees and resolve the problem.

Amazon on the other hand, as per another TOI report [9], is utilizing the services of more than 100,000 robots across the globe, working in the warehouses, which is leading to changes in the way employees used to work. This has now lead to existing employees to also act as "*babysitters*" for these robots. Another similar trend in the work & workplace flexibility is the work from home concept.

Consider the following statistics published in TOI, September 2019 [15]-

- 1) Overall, 22% of Capgemini's Staff used the work-from-home arrangement since its launch in March this year.
- 2) Infosys allows all employees to work from their homes for nine days in a month.
- 3) At Sodexo India, 10% of its 47,000 employees work from home on a typical day.

### III. IMPROVING PRODUCTIVITY

Google had started the trend of having Google Cafés inside its premises. This workplace perk of free food among the many benefits which Google had provided helped to improve the cross-functional teams.

The rationale behind this concept has been highlighted by David Burkus, in his article [10] that it happened because Google wanted to "Create a workplace where workers don't want to leave, and so it's a thinly-veiled attempt to get more raw work hours out of their employees. A slightly more optimistic explanation is that happy workers are good workers, and that these perks provide a return on investment by keeping employees happy and satisfied."

He further adds that "Free food is the method of choice for filling the structural holes in Google's overall network. Indeed...I met multiple new people—none of whom worked in the same department as my host."

He goes on to summarize that free food becomes a mean to fuel workers and draw from them more work. But at Google, free food is fuel for innovation. Its purpose is actually to inspire innovative thinking.

The similar concept is applicable in Co-Working spaces where amenities and vibrant atmosphere bring people together. The theory of Allen's Curve also comes into play here [11].

The Theory by Thomas Allen's suggests that [11] collaboration and interaction diminish the further you move away from someone. 10 Meters makes a difference. People who worked in the same workspace were 3 times as likely to collaborate, that those 400 meters away.

So, in case of perks designed by Google, we can say that all have been carefully crafted and that is a strong reason behind it.

This is further confirmed by Laszlo Bock, the Senior Vice President of People Operations in his book [12] - *"The purpose of the cafes and micro-kitchens (smaller areas stocked with food and drink closer to work stations) is to create a place for employees to leave their desk and interact with other people whose desks are not near theirs."* Bock further reveals that most of these food sources are strategically placed between two separate work teams, and the goal of that placement is to draw these different folks together and nudge them to interact and collaborate [10]. *"At minimum, they might have a great conversation. And maybe they'll hit on an idea for our users that hasn't been thought of yet."*

So, what we can infer from this concept is that where two teams are sitting separately, Google has used this workplace or workspace design to bring people together.

Further as per the report in TOI [3], sharing the workspace with present and future competitors leads to healthy competition and adding to improvement in productivity at lower costs creating a win-win situation for all making more and more organizations specially smaller ones to opt for this model (Co-Working).

In another 2016 report, as per TOI [18], IOT has the ability to reach out to a connected workforce across geographies or time zones, saving precious time, allowing more brains to contribute to problems across offices. IOT enabled offices can achieve maximum productivity without human intervention. So, it helps in co-working spaces as well where all the employees need not be present at the same time.

There are other instances of IOT & AI is being combined in the workplace. As per the report in TOI [7] especially in brick and mortar organizations is the use of technology to optimize office space for improving employee efficiency and convenience. Under this, sensors are used to generate heat maps that show how people move in office and other systems such as Occup-Eye uses AVAC Systems for data mining. These are used in Employee ID's as well as all multiple places in offices such as workstations. Data is used (anonymously) to make necessary improvements in the workplace and employee interaction. However, this is mainly being used more by organizations based out of UK and USA.

Amazon employees underwent training to become robot operators. As per the report in TOI [9], more robots lead to reducing the walking time of the employees, making quite efficient. The robots also allowed Amazon to pack shelves together due to reduced aisle space for humans. More density, means more inventory and better selection for customers.

Automation at the workplace itself helped in improving productivity of both Organizations and Employees. According to Mc Kinsey, 2017 report [19], automation would help to accelerate the productivity of the global economy anywhere from 0.8% to 1.4% of the global GDP annually, assuming that the human labor replaced by automation rejoins the workforce.

#### IV. CONCLUSION

Inferring from the above reports, we can conclude that speaking with employees or the prospective employees takes up most of the time of the HR functions. All these changes will impact the people strategy due to shift in HR practices such as recruitment, employee engagement, L&D and retention. Co-working for example, brings its own challenges of poaching of employees since rival organizations are seated in the vicinity, besides data protection.

The other major challenge for HR is managing the Gen Z or the Millennial Generation in this scenario. Millennial though are now experimenting with co-sharing in personal spaces such as kitchens, will still have to be molded for workplace [13].

Further, in a recent survey by PWC published in the recent TOI report [14] on Millennial has found that for them work is a thing, not a place. For Millennial, as per the the ever growing perks that keep people at work longer are not a major motivator. Rather, for them it is molding jobs as per their own convenience, whether working remotely, coming in late or leaving early, health breaks and changing working hours as required. However, not all Millennial demand this, but it still poses a major challenge.

The other major challenge is when there is deployment of robots at the workplace and people have to work along with them. For example, as per TOI [9], at Amazon employees now to also act as "babysitters" for robots at the warehouses, which they understandably find quite mentally challenging (due to a new work

environment and shift in the traditional style of working). Amazon is now therefore, finding unique ways to balance the different forms of workforce in the new rapidly changing work-place.

Hence, all these new revolutions would even further require HR practices to gear up for meeting with the resulting challenges upfront on priority.

In conclusion, as per the PWC's 20th CEO Survey [16], in an automated world people and machines will be working together and it will definitely impact organization's strategy. Obviously it will mean changes in the workplace, especially people strategy. And if the above statistics and quoted trends are any indicator, then this tectonic shift due to digitalization, has already begun, challenging HR like never before in keeping up with the ever growing needs and demands of both People & Organizations.

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