

The Role of Digital Competence in Improving HR Performance in 2025

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Abstract

This researcher aims to determine the role of digital in the development of human resources. By using primary data through interviews with several users of digital tools for human resource development. In North Sumatra. So therefore. This research produces conclusions regarding the role of digital in supporting human resource activities, namely 1. The importance of digital competence to face industrial changes 4.0. 2. Improve Operational Efficiency and Data-Based Decision Making 3. Improve Virtual Collaboration and Communication 4. Continuous Development and Learning 5. More Measurable and Objective Performance Management.

Keywords: The role of digital in human resources

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Introduction

In developing Competence. Human resources must be proficient with technological device skills. which includes skills in using technological devices and digital tools, is one of the factors that is very decisive in improving HR performance. The ability to utilize technology not only increases operational efficiency, but also opens up opportunities for innovation and better organizational development. Therefore, developing digital competencies for the workforce is no longer an option, but a necessity to face increasingly complex challenges in the future. Amidst the rapid development of technology and digitalization, the era of the world of work has changed. The world of work has undergone a significant transformation. In 2025, these changes are expected to deepen, affecting almost all industrial sectors. In this study, human resources (HR) are one of the key elements that determine the success of an organization in competing in the global market. Companies not only need skilled and competent workers but also those who are able to adapt quickly to new and developing technologies. Digital competence, which includes skills in using digital devices. Entering 2025 is a focal point for many organizations that are planning a digital transformation. Successful companies in the future must have HR who have qualified digital skills, are able to work with big data, collaborate in the digital space, and have an understanding of artificial intelligence (AI) and automation. As a result, digital competence is expected to increase productivity, work quality, and employee satisfaction which leads to more optimal performance. Through this literature, it will be discussed how the role of digital competence in improving HR performance in 2025, as well as the steps that can be taken by organizations to develop and optimize digital skills among their workforce. By understanding the importance of digital competence, companies are expected to be better prepared to face future challenges full of innovation and new technology.

Literature Review

In the study of Human Resources, competent human resources must follow technological developments and have relevant digital skills so that they can adapt to change (Suryani & Suhartanto, 2019). In reality, the world of work is experiencing major changes due to globalization, including in human resource management. To face the challenges of globalization in the digital era, strategies to improve human resource competencies are important. Employee work production is positively correlated with HR training and development. This training is given to employees to improve their abilities and competencies so that they can adapt to changes that occur in the era of globalization. Education and training also increase employee work productivity.

A. The Role of Technology in Employee Performance

In Developing Human Resources. Technology plays a crucial role that can improve employee performance. A study in Italy showed that digital technology can make human resource management faster and more effective, while improving collaboration within the organization. A dedicated social platform for HR management helps in better data processing. Technology also provides various tools and applications that support managers in motivating and empowering employees to achieve organizational targets. According to Chamaram & Surasak (2018), the importance of technology in improving employee performance cannot be ignored. In Human Resource Development, investment in technology not only improves individual employee performance but also improves performance in the manufacturing sector. Russel & Zulian (2022) found that companies that invest significantly in technology tend to have progress in human resource competencies in the company.

Methods

This study takes secondary data through the latest articles in adding to the study of the role of digital in the development of human resources in companies. This study is a descriptive study using qualitative research data.

Result

The Importance of Digital Competence to Face Industrial Change 4.0 2025 will be an era full of more sophisticated technological advances, such as Artificial Intelligence (AI), big data, cloud computing, and the internet of things (IoT). The world of work will be increasingly driven by automation, data analysis and deep digital intelligence. In this context, digital competency is a key factor that determines whether the workforce can adapt and survive in this rapidly changing environment. Without the ability to understand and utilize digital technology, HR performance will be hampered. Digital competency includes skills in using technological tools, the ability to process and analyze data, and the ability to collaborate in digital spaces (for example, using online communication tools, digital project management tools, and cloud-based collaboration tools). By 2025, human resources who have high digital competence will be better able to innovate, overcome challenges, and produce better performance in their work. Improve Virtual Collaboration and Communication Digital competence will also increase collaboration and communication between employees, especially in the post-pandemic era which has given rise to the trend of remote work. By 2025, it is likely that many organizations will implement a hybrid or fully remote work model. In this situation, skills in using digital collaboration tools such as Microsoft Teams, Slack, Zoom, and Google Workspace are critical. Employees who have good digital competency will be able to work efficiently on these platforms, collaborate with cross-location teams, and maintain productivity even when working separately. This will improve individual and team performance as a whole. Adapting to Automation and AI in the Workplace as AI technology and automation develop, most routine and manual process-based jobs will be replaced by machines or software. Therefore, digital competencies that include understanding how AI works and applying it to work will be essential. Workers who have the skills to collaborate with machines, understand the results produced by AI, and manage and program AI-based systems will become increasingly valuable in the job market. In the future, employees who can adapt to AI and automated systems will be able to focus more on more complex and creative tasks, thereby increasing productivity and producing more innovative work results. Digital competency will enable them to collaborate effectively with technology, reduce manual workload, and improve overall performance.

A. Continuous Development and Learning

One important element in digital competence is the ability to continue learning and developing according to technological changes. In 2025, it is important for HR to have digital learning skills or the ability to utilize digital learning platforms such as e-learning, MOOCs (Massive Open Online Courses), and webinars. In the development and continuous learning, the role of digital really helps human resources to access information and the use of applications for the world of work helps in the process of accelerating work and decision making. With the help of accessing technology The ability to access and take technology-based courses and certifications will allow employees to enhance their skills in a variety of areas, including the latest technologies such as cloud computing, cybersecurity, and blockchain. Therefore, digital competence includes not only technical skills, but also self-learning skills that will ensure that HR remains relevant and competitive.

B. More Measurable and Objective Performance Management

Digital competency will also enable managing employee performance in a more measurable and objective way. With technology-based tools and applications, such as performance management systems and feedback tools, organizations can monitor employee

performance in real-time and provide faster and more precise feedback. In this case, it allows HR to make adjustments. By providing the necessary roles and increasing their productivity. The use of digital platforms for performance evaluation will reduce the subjectivity that often occurs in employee assessments, increasing transparency and objectivity in the HR management process. The use of digital really helps the work of human resources.

C. Improved Employee Experience (Employee Experience)

By 2025, digital competency will not only influence how employees work, but also how they experience their overall work experience. By leveraging technology such as chatbots, AI-driven employee surveys, and HR software, companies can increase employee engagement and satisfaction. For example, employees can more easily access information related to company policies, benefits, or career development through AI-based mobile applications, and receive faster feedback. This contributes to improving employee experience, which in turn increases their retention and productivity.

Discussion

Digital competency is essential to face the changes brought by Industry 4.0 for several key reasons:

1. **Adaptation to New Technology** Industry 4.0 is characterized by technological advances such as the Internet of Things (IoT), artificial intelligence (AI), big data, and automation. Having digital competencies enables individuals and organizations to understand, operate, and utilize these technologies effectively.
2. **There is an increase in productivity**
With digital competence, workers can be more efficient in using software and digital tools to speed up work processes. This increases productivity and quality of work, which is very necessary amidst increasingly fierce global competition.
3. **Innovation and Creativity**
Digital competency supports individuals to innovate and create new solutions that utilize digital technology. For example, the ability to develop applications, leverage big data for decision making, or use AI for business analysis.
4. **Increased Competitiveness**
In the Industry 4.0 era, organizations that have a workforce with good digital competence can adapt more quickly to market and technological changes. This provides a competitive advantage for companies in maintaining relevance in the global market.
5. **Creation of New Jobs**
Although automation can eliminate some types of jobs, on the other hand, these technological advances also create new jobs that require digital skills, such as software developers, data analysts, or technology project managers.

A. Analysis of digital use in Analyzing

1. Data for Operational Efficiency

Data analysis is key in improving the operational efficiency of organizations, both in the business, education and public service sectors. With the ability to collect, process and analyze data effectively, organizations can optimize the use of resources, reduce waste and increase productivity. In Support in the digital era, virtual collaboration and communication are important factors in increasing work productivity and effectiveness. Digital competencies enable employees to communicate more efficiently and collaborate on projects without geographic barriers. The following is an explanation of the role of digital technology in supporting collaboration.

B. Utilization of Data Analysis for Operational Efficiency

Digital competency allows employees to use analytical software for processing. Data analysis can identify patterns and trends, so companies can optimize resources such as: Supply Chain Management Optimization. Real-time analytics can help in distribution planning to reduce delivery delays. Data analysis can help companies determine the best time for machine maintenance so as not to disrupt the production process. Increased Efficiency in Human Resources (HR Analytics) Existing data Absenteeism and productivity analysis can help in managing work schedules more effectively. such as Reducing Operational Costs.

In the digital era, employee performance management is undergoing a major transformation with the presence of data-based and automated technology. Performance management systems and feedback tools make it possible to meet in real-time, provide fast and objective feedback, and make data-based decisions. In this discussion, we will explain how digital competence can increase the effectiveness of employee performance management in a more measurable, transparent and objective manner.

Conclusion

The conclusions of the role of digital in supporting human resource activities are

1. The importance of digital competence to face changes in Industry 4.0.
2. Increase Operational Efficiency and Data-Based Decision Making
3. Improve Virtual Collaboration and Communication
4. Continuous Development and Learning
5. More measurable and objective performance management

Digital competency will also enable managing employee performance in a more measurable and objective way. With technology-based tools and applications, such as performance management systems and feedback tools, organizations can monitor employee performance in real-time and provide faster and more precise feedback. This allows HR to make necessary adjustments and increase their productivity.

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