The role of human resources and the challenges to human resource management leadership

Master thesis submitted in partial fulfillment
of the requirements for the degree of
Master in Science (MSc)

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Program: Master in Technology & Innovation Management (MTIM)

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Kalormaki Rodanthi - August 2022

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'Dedicated to my family'

My parents Giannis & Anna
My siblings Katerina & Giannis
My boyfriend Apostolis
My best friend Eleni

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Abstract

This thesis research is based on a qualitative research, taking its information from literature, articles and journals. The research was conducted to first examine and understand the importance of HR practices within the organization, specifically what they are, how they are implemented effectively and their contribution to the sustainability of the organization. It then examines the role of leadership and organizational culture in organizational performance in a challenging environment and the coordination of HR practices in value creation and subsequent competitive advantage. Concluding the research with an important strategic model which is the Employer Branding, that companies try to build to develop their digital presence, proving that it creates significant value to the company. Initially, the research evolves to identify the most important HR practices and gradually analyses each practice in the digital age and the impact that technological changes have on company's strategic advantage and subsequently on their sustainability. In the second part of the research, an extensive analysis is carried out on the role of culture and leadership in creating the company's competitive advantage. Research evolves into the role of leadership in the digital age and penetrates the benefits of innovation for its contribution to competitive advantage and company sustainability. The third part cumulatively explains the digital age in relation to HR and the challenges in the near future.

Keywords: Human Resource Practices, leadership, alignment, digital age, competitive advantage.

Introduction

Human resources are an asset of the company and its effective management leads to business profitability. Previous research has not revealed whether human resources are related to business profitability, although strategic human resource management leads the company to high levels of competitiveness and sustainability. The role of human resources is an integral part of the business and its ultimate goal is to contribute to the maximum in the company. This is done by utilizing human resources practices (recruitment, training, remuneration, appraisal) with strategic tools promoting product circulation in the market, creating value and consequently a competitive advantage. To achieve this, HR practices must be aligned with the business objectives. Conner and Ulrich (1996) stated in their study on "Role of Human Resources: Creating Value, Not Rhetoric" that the HR function should now extend its practices beyond its traditional functional and transactional role to an anatomical strategy aligning operations, practices and strategy with business needs.

Human resource management is required to be flexible and forward-looking. They use processes where practices work strategically in a changing environment. People have the ability to do this, to "have a vision", one of the reasons why human resources are considered a strategic tool is that it is unique and difficult to emulate. The human resource management literature explains the relationship between HRM practices and company performance through a resource-based view (Borowski, 2013) when resources are valuable, scarce and inimitable, then the company has a competitive advantage (Barney's, 1991). According to Ulrich (1997) HR roles in value creation and building a competitive organization include: the transition from an operational management to a strategic management, the transition of transaction processes to transformations and changes, stable infrastructure and finally the contribution of employees to the company.

Qualitative research

The method that will be used for this research is qualitative. By using documents as a source of data, such as letters, diaries, autobiographies, newspapers, magazines and photographs, we can achieve useful knowledge and new scientific outcomes. By using qualitative research, researchers are the main form of research, as they are responsible for the scientific methods, outcomes and the publication of the said knowledge. There are many methods on the methodology of qualitative research, as of observation, a case study, interviews or focus groups (Bryan, 2012). On the contrary, there are some limitations for the use of the qualitative research. Some of the outcomes that come in the written form (as of no numeric data is being presented) are of an objective value,

and can not necessarily interpret the subjective truth. Moreover, the analysis and the collection of data is being done simultaneously and the main goal for the researcher is the collection and interpretation of the said data. Those are carefully distributed throughout this master thesis, as well as on specific chapters.

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1. The importance of human resource practices in the sustainability of the company

In recent years, market rules and functions have changed rapidly, the business environment is competitive and every business is trying to maximize its resources in order to gain a competitive advantage. The design and implementation of human resource management practices is considered a competitive advantage when aligned with business objectives. Although what sets each business apart is its human resources as it is considered venture capital where it is scarce, it cannot be imitated provided that its practices are implemented in a way that is consistent with business objectives.

The practices that each company will choose may differ depending on the business structure, its culture, the legal framework that surrounds it. One company can do all the human resources practices and another company can only use one such as the recruitment process, by selecting qualified people for the specific position. As a result, companies can improve their performance and strategic position either by increasing the total number of HR practices they implement or by using HR practices in a single sector in a more integrated and widespread way (Youndt et al., 1996). Human resource management practices aim to create integrated strategic human resource practices, maximizing the capabilities and skills of employees. The company through human resource management practices can shape the skills and behaviors of its employees by performing the company's goals (Collins and Smith, 2006). Researchers have found that employee engagement in the company can be maximized using highly participatory human resource practices (Huselid, 1995).

According to Chen and Huang (2009) the high involvement of human resource practices is more process-oriented so that employees can contribute to the goals of the company. When a company is aiming for a new market or new product development, encouraging strategic human resource management and implementation processes activates employee motivation to come up with new ideas, develop innovative tools and anticipate opportunities (Scarbrough, 2003). Strengthening these processes requires two leadership mechanisms: management support and peer support (Scott and Bruce, 1994), that is, creating a work environment that allows employees to exchange ideas, communicate, and act for the benefit of others. Undoubtedly, this climate will lead to cooperation with positive interaction, enhancing feelings of trust and teamwork (Collins and Smith, 2006). In conclusion, there are two necessary strategic functions that must exist in the management of human resources.

- Empowering employees by providing management training programs (Delery and Doty 1996), a company clearly wants to have highly trained employees (such as willingness to take initiatives and responsibilities, perseverance to achieve goals, perception / learning speed, creativity / innovation, willingness, determination) to achieve them must first determine what he is looking for then he can choose two paths, either to hire new people with high talents or to develop the skills of the existing ones.

- Motivation is also an important component of high participation practices. Managers use this approach using 2 tools, employee motivation based on pay and performance appraisal. Compensation is motivated to ensure that the employee is committed to the company's goals and that the appraisal works in the context of capacity building and not in the context of control (Collins and Smith, 2006). The company tries in this way to build a team spirit, cultivating a supportive atmosphere between employees by encouraging interpersonal relationships and strengthening the commitment of employees within it (Kase et al., 2009).

According to the above the HR practices are 4 including: recruitment and selection, training programs, compensations, and appraisal. An extensive analysis of HR practices will be made from literature references and articles, highlighting the strategic tools used by line managers for the effectiveness of these practices based on business performance. HR practices will be analyzed in the light of the digital age and the transformation from operational practices to strategies. This transformation in the organizational structure affects the commitment and productivity of employees (Maheshwari, Vohra, 2015).

Tiong (2005) pointed out that a beautiful climate reduces employees' stress in response to change and motivates them to work effectively in this direction, fortunately strengthening commitment and organizational loyalty. According to Becker (2001) stated that cultivating a beautiful climate reduces workers' fear of change. The new role of human resources manager should adopt technologies that support organizational change and create a proper development climate for the development of innovative and knowledge-based organizations (Jain, 2014). A strong HR system ensures that employees' collective understanding of HR practices is well aligned to the intentions of management (Bowen & Ostroff, 2004).

2. Recruitment and selection top talents

In an age dominated by technology, it would be impossible not to influence the process of hiring and selecting candidates in the business sector. Companies for managing a large volume of recruitment use digital tools to facilitate data organization on the one hand and the selection of top talents on the other. Therefore, companies use the most modern digital tools to select top qualified people, depending on the requirements of the position and the results that the company wants to achieve each time. No matter how large each company is, the workforce is framed around by the organization, is evaluated by the qualifications and capabilities it has to help the company reach higher levels of performance.

2.1. E-Recruitment and the impact of digital age

The most popular and common tools for hiring candidates are: artificial intelligence, employer branding, recruitment marketing, interviews, videos and targeted job ads (Mseap, 2020). The most well-known process is to post a corporate ad on its site or on well-known portals such as Indeed, Jobfind. On the other hand, applicants are facilitated by this process as it is easy, convenient, saves time and money (Furtmueller et al., 2011).The interest of researchers around digital hiring is huge, which is why there are so many tools on the market. In this work a larger analysis will be made around digital recruitment. Most companies use these tools and it will be very useful to give an extensive analysis. (Mseap, 2020).

2.1.1. Artificial Intelligence for recruiting

Companies today have turned to artificial intelligence systems, as many companies argue, to increase employee productivity rather than replace it. Although some views of great leaders in the world market argue that at some point artificial intelligence systems will replace humans. "There is a very good chance we will end up with a universal basic income or something like that because of automation," Musk told CNBC in November 2016. In an interview with the BBC in December 2014, Stephen Hawking said: "Primitive forms of artificial have already proved very useful."But I think the development of fully artificial intelligence could mean the end of the human race."

In practice, artificial intelligence systems allow the analysis of large volumes of data and the rapid development of large volumes of automated tasks. Automated algorithms have the ability to analyze and reduce the volume of data received from

the environment, identify trends, models and make predictions for the future, making decisions according to business objectives. In the recruitment process, human resources use these systems to improve the time-consuming process of collecting applications and evaluating them. As mentioned above, human resource management always works according to the needs and goals of the company. In order for the company to hire highly qualified and specialized people, it sets filters, the artificial intelligence systems evaluate the curriculum vitae, and automatically referring to the least capable resumes according to the filters set by the company from the beginning. They retain the highly qualified resumes and select from this pool of candidates. On platforms where artificial intelligence systems are introduced, large volumes of information are collected, analyzed and selected with precision and high speed. These systems can locate candidates from public sites such as LinkedIn or from the business database. Companies define a filter base usually based on professional experience and years of experience. Using keywords, the algorithm identifies candidates with the appropriate criteria. An important function of artificial intelligence systems is to test various exercises before the candidate comes into contact with the business. These tests check the candidate's behaviors and skills, may include quick arithmetic operations or also tests that check the candidate's memory and at the same time the speed with which each question is answered (ribeiro, 2020).

The company curriculum vitae remain in this database for a certain period of time. Significant attention has been paid to identifying a specific time frame that a company should devote to responding to each request. At a time when social media is ubiquitous, candidates are discussing the application experience with other potential applicants, if their experience is not good, such as a long delay in the response from the company, this may cause discouragement from other potential applicants. For this reason companies use these systems so that the response is immediate to the rejected applicant or proceeds to the next recruitment stage.

According to Towards Data Science, Jair Riberio (2020) describes some artificial intelligence platforms (HireVue, Hiredscore) used by giant companies in recruitment and selection programs. HireVue is one of the most well-known and powerful Video Interviewing Software Platform used by huge companies such as Vodafone, Oracle with more than 700 companies participating in this program. This platform has assessment, voice and facial software, analyzing the characteristics of the candidates such as vocabulary, tone, company language, facial expressions and keywords, using a ranking algorithm. In 15 minutes of video interviewing, HireVue locates 25,000 data points. Unilever Company used artificial intelligence driven assessments $ 1 million annual cost saving, also reduce hiring time by 90% and increase hiring diversity by 16 % (Ribeiro, 2020).

Hired score is a widespread artificial intelligence that uses learning mechanisms to improve the recruitment process and the experience of applicants, has the ability to identify applicants with the highest resumes offering the company a high level of candidates while also playing an advisory role as helping companies adapt to the future. "Hiredscore recognized by HRExaminer on 2020 HR Watchlist as the most innovative artificial intelligence in HR Tech companies".

Artificial intelligence systems offer great benefits to recruitment teams. In very large companies every year the resumes increase rapidly, while the number of people who make up the recruitment department remains the same, this means that companies need to introduce these systems first because it takes less time for the recruiter to check each resume, also learning machines may take time to understand each company's recruitment process, but it is proven by some companies that artificial intelligence systems compile highly qualified resumes. In short, the effect of artificial intelligence helps to save time for the recruitment team, as using an AI-driven Chatbot, in essence, some recruitment procedures are automated and the recruiter manages that interviews of the most qualified applicants. Artificial intelligence also uses prediction tools not based on human emotions, but on a database that can be located either from public websites or from company-registered data (aihr,2021).

2.1.2. The creation of employer branding for the acquisition of top talent

'A company is only as great as its people. And great people want to be associated with leading brands' (Recright, 2021). The company with this method seeks to reach the best candidates by reflecting the reputation of the organization in the market, highlighting their value to its employees and potential candidates, while at the same time there is a high commitment and retention of employees (GreedyGame, 2017)

According to a LinkedIn survey, a company with a strong brand will attract more applications and then the company has the option to select the top candidates. This research also shows that companies with a lower employer brand report that hiring costs are almost double that of companies with an improved employer brand and achieve a lower turnover of up to 28%, which is considered quite attractive for applicants and at the same time a good investment for the companies. So the candidates with higher qualifications will be willing to work in a company with a strong brand reputation and favorable working conditions. Although not all companies have a strong brand, the goal is the same for everyone to acquire top talent (LinkedIn). In today's competitive environment Employer branding is considered a strategic tool, a profitable investment for businesses. Using such a practice the company can gain access to top talent with huge potential. As mentioned earlier,

every company wants to acquire and retain the most capable candidates, as this will lead the organization to a competitive advantage.

A company can build employer branding even in its early stages, as long as it defines its culture and values, and highlights them. The culture of each company is determined by its goal, vision, product or services offered to consumers. The company culture is reflected by the employer brand, such as how the employees work in the company, their clothes and behaviors. A satisfied employee will enhance the company's reputation and will spread its positive experience from its work environment. If the company creates a positive climate, the employee will spread it outside the organization. As a result, the positive reputation of the company will begin to spread abroad and the candidates will seek to work there.

It should be noted that recruiters must be very careful in the interview process, from the time of responding to the candidates until the moment they are introduced to them. The company has the ability to introduce technological tools that strengthen its brand, such as the introduction of a career page on its site with enriched content. Such a page usually includes the position the company is looking for, analyzing in detail the responsibilities, qualifications and requirements. Having a text or a video through the business website facilitates the sending of its vision, the promotion of its culture and explains the benefits that the candidate will gain from this experience.

An organized page will give a positive impression to the candidate. Video advertising is considered as a recruitment marketing tool. Each company can use video ads with different content depending on its culture or what it wants to show in order to entice potential candidates. For example, the most common tactic is a video that contains employees smiling at the camera, gaining the trust of the candidates, through the video can pass many messages such as lack of team spirit or business opportunities. Blogs are also considered a tool to attract candidates. A company can have a blog by writing on a regular basis, from where the candidate can read about topics that interest him and discover the company. There is also the corporate blog HubSpot, which is a Marketing tool that serves many actions and covers a wide range of activities such as sales and leadership skills.

Social media could be an integral part of these practices, now every company has to network on all social media like Instagram, Facebook, as every candidate has the opportunity to look for the company they are interested in and discover the dynamics of this company. According to the article, 62% of candidates look for companies on social networks before being hired. Finally, through email campaigns, companies

maintain this database of those who have been rejected and inform them via email of their vacancies (GreedyGame, 2017).

2.1.3. Recruitment marketing in the digital age

Human resources practices have been transformed from business practices to strategies, one such tool being the transformation of traditional marketing into hiring marketing. In other words, the market uses traditional marketing in recruitment, highlighting strategic tools and new trends. It has been observed and said in this study that human resources are considered a strategic asset. The practices must be implemented strategically and in accordance with the goals of the company.

The transition from traditional marketing to recruitment marketing initially involves forming a team of skilled human resources that focuses on finding and acquiring talented candidates, also focusing on employer branding and content creation. In short, recruitment marketing builds a modern recruitment policy that is closely related to the employer's name. This modern policy focuses not only on filling a position that the company needs, but at the same time achieves the maximum possible advertising for the company, in essence recruitment marketing promotes the corporate culture, the working environment and the opportunities offered by the company. Blogs, social media, videos, employee interviews and career pages are tools that serve this purpose. The concepts of recruitment marketing and employer branding are closely related, but there are important differences to distinguish them. Specifically in the first stage is the branding of the employer, where the company determines its culture and values. Once this is determined, develop methods for improvement and development in the work environment. It's the turn of the recruitment marketing, in essence it undertakes the way that will start this bun and will put the candidates. In other words, the employer brand works for the internal development of the organization with the aim of spreading and positive reputation by both employees and candidates, while recruitment marketing is related to how it will be disseminated to the extraterrestrial environment (ResourcesWorkable, 2021).

2.1.4. Targeted job ads for strategy e-recruitment

Targeted job ads refer to a recruitment strategy used in recruitment advertising that targets different factors (such as gender, geography, skills or qualifications) each time. In targeted recruitment, the recruitment team must very carefully identify the requirements and skills that a candidate needs. Therefore, he must know exactly what they are looking for in the candidate. In any strategy there must be accurate targeting,

so that the recruitment team can measure the performance and whether it ended up losing or winning. A useful tool after setting needs and setting goals is data utilization. This data helps to reveal trends, guiding the recruitment team to adjust its strategy. A targeted recruitment strategy is beneficial when it comes to delivering positive feedback to candidates. Creating a targeted recruitment plan that is demanding with more conditions and criteria makes the application more difficult and reduces the volume of resumes. Finally, investing in quality targeted advertising attracts more educated people (Little, 2018).

3. Training programs

<<Tell Me and I Forget; Teach Me and I May Remember; Involve Me and I Learn>> Benjamin Franklin.

Education is a learning process that has as its ultimate goal the acquisition of knowledge, skills and behaviors for a specific purpose. Training comes to the fore as an important tool for developing and improving employee performance. According to Νάνσυ Παπαλεξανδρή (2008) the training of human resources contributes both to the improvement of the skills of the employees and to the acquisition of knowledge, the training is a planned process that stimulates the skills of the employees for the benefit of the company. The goal of every company is to be framed by competent employees, in order to meet its current and future needs. Training is a practice of human resources, every training practice to be compatible with the needs of the company. This means that the training must meet the needs of the organization and the employees, this process will give a competitive advantage. At the same time, the company must offer systematic training to its employees, as it creates an increase in productivity. This is because training develops the individual performance of the employee, ultimately contributing to the development of the whole organization. Therefore, education should not be considered as an additional expense but as an investment. In a market where everything is changing fast like technology, in-company training has proven to be very useful, it helps to adapt quickly, as there are well-trained employees who have the ability to see change and be flexible and familiar with it. Rapid adaptability, however, presupposes that the employee has multiple qualifications and skills to see the causes of change and to adapt as quickly as possible. Essentially, the company needs to train its staff for flexibility and drive for change.

In conclusion, it is necessary for the viability of the company to have staff with knowledge and high skills. The field of professional skills consists of the knowledge, skills and attitudes of employees. Acquiring knowledge is an important foundation both for meeting the needs of the company and for the development of the employee. However, knowledge is not always the dominant issue, but the skills that the employee has, often necessary skills are considered the ability to solve problems, the ability to make decisions, the way he manages problems, his personal contacts, and the ways he behaves in colleagues, self-confidence and ability to take risks, i.e. the attitude of the individual. Businesses often use training depending on the professional

skills and responsibilities of the respective position. It has been observed very often that managers create a list of prerequisite skills to fill a position.

3.1. Benefits from the training of employees

The benefits are undoubtedly important and critical to achieving the goals. According to Νάνσυ Παπαλεξανδρή (2008) the benefits are reflected in increased productivity, increased morale, reduced supervision, reduced accidents, increased organizational stability, flexibility and increased employee commitment. Initially the utilization of technology has been observed to help the company increase productivity as the quantity increases. The training comes to help employee to offer not only quantity but also quality, fast adaptability to changes with fewer mistakes and delays. Therefore, training simultaneously develops and improves individual performance, team performance, quality and quantity produced, time and overall productivity. Every skill required of the employee depends on the needs of the specific position. Development of these skills through training has positive effects on the productivity of the employee. Safety and reduction of supervision work very effectively in his work, because on the one hand security boosts its morale and, on the other hand, reducing oversight reinforces behaviors such as initiative.

A systematic training also helps to reduce accidents in the workplace, for example a trained employee will make fewer mistakes than an unskilled and untrained. It is also important that the training informs employees about safety measures and maintenance. In this way the company protects its employees from serious accidents. The benefits of training are obviously very important and the business must use this practice in order to gain a competitive advantage in the market. The process of planning the training of employees and the responsibility for the effectiveness of this practice is often performed by the director of human resources. The program manager draws up a blueprint for the effective implementation of the staff training process, starting with the training needs to be covered, then designs the training program, i.e. Determines the content and purpose of this training, the members who will participate, and the place where the training will be selected and the sufficient time required for staff training. After designing the program, the line manager chooses the method of training the employees. The completion of the program ends with the appraisal of the participants in the educational program.

Identifying needs is the first step in starting training. <<The educational needs arise from the determination of the training gap that exists between the existing and the desired situation (Νάνσυ Παπαλεξανδρή, 2008, p.164)>>. In other words, needs arise when there is a discrepancy in returns depending on the position, a dimension of the

company's goals, or changes in the level of performance of employees. Education is considered to be a useful tool for dealing with these discrepancies. After identifying needs, the line manager comes to accurately plan the employee training program. What determines first is the goal in other words what it wants to achieve, this goal is easier to determine when the performance standards are set. For example the company may need some staff to know how to use digital marketing tools, so it can organize training programs to train them. The content of the training is also determined by the goal. The employee training officer on the one hand determines the people who will be trained in the program and on the other hand determines the executives who are suitable to train the staff for the specific training framework. Trainees are often selected by the line manager because they may be more likely to stay in the company, another reason they are highly efficient in their duties or because staff knowledge is outdated. Taking all this into account, the person in charge determines the number of trainees, the departments from which they will be selected, the time mediated by his last training and clearly according to the skills that the trainee must acquire in order to be prepared to perform at work.

On the other hand, the trainers play a supervisory role in the context of their cooperation and participation in the program. The trainers can be either executives or managers who contribute to the training of the staff and at the same time supervise the effectiveness of the trainees. Another important element that is arranged by the person in charge of education is the time and space that the training will take place and its duration. The space can be either on-the-job training or off-the-job training. The duration of the training is related to the content of the training, for example the duration may depend on the time it takes the employee to assimilate the information. Given these facts, the next step is to select methods to be used in staff training. According to Νάνου Παπαλεξανδρή (2008) there are two categories for designing the method of training the employee first on-the-job training and off-the-job training. In the first case the training of the employee takes place during their work, it is a very wide process in many companies as it is considered very effective; in essence the employee is trained by his manager through the work. Performing this method is very easy and useful and the reasons are as follows: initially there is a direct appraisal by the supervisor, finding an error on the job is less and dealing with them immediately. The most well-known tools used in this method are Coaching, a technique in which the youngest employee taking a position is trained by the previous employee in that position. Coaching aims at developing the skills and abilities of the employee such as personal, behavioral, etc. The concept of coaching is very close to the perception of mentoring, this technique is related to the idea of self-development, that is the mentor gives advice to the trainee where to move, how to deal with the difficulties and demands that arise each time, to give information about the company culture, in other words the mentor is a familiar face to the employee. The employee has the comfort to discuss with him anything that concerns him.

Still well-known techniques are internships, job rotation and job enrichment. The internship concerns the Universities where the student has the first opportunity to practice everything he learns, i.e. the transition from the theoretical framework to the practical one. However, a disadvantage is that because the internships usually last from 1 month to 1 year, the company do not entrust serious tasks to students. Job rotation is considered a highly effective technique, in which case the employee rotates many positions, gaining experience and knowledge from many areas of the company before being placed in their final position. This gives them the opportunity several times to get a promotion, because they are known in several areas and better understand the culture of the company.

Finally, the enrichment of a job concerns the gradual assignment of responsibilities and tasks to the employee, it is a very important process because it encourages the employee and creates a sense of evolution and he feels that his work is appreciated. The second case concerns off-the-job training which is divided in-business and out – of-business. An in-business program occurs when the company is usually large, developing its own programs and can train a large number of employees. The out-of-business training program is usually run by smaller companies and implemented by third parties i.e. they find it unprofitable to develop in-business programs within the business, which is why they provide training through external companies. It is worth noting that out-of -business programs can be implemented by large companies as well, in order to identify a small number of employees. In the off-the-job training method, companies or employees can choose many tools useful for their training. Lectures are a well-known, economical and easy training process the instructor can present much more educational material to the listeners according to the given period at his disposal than any other method. The lectures have a more impersonal character, without the individualized training, when there is a high probability that the instructor did not understand the subject.

In contrast to the lectures where the trainee participates as a listener, in the seminars the trainees participate and have the opportunity to develop their skills and acquire knowledge. Learners can talk to the instructors, giving solutions, submitting ideas, etc. Many companies apply case studies, in fact they take facts and real situations from other companies investigating the problem that existed and look for ways to solve it. It is a group process in which learners analyze and study real facts. There is always an experienced trainer to guide the team so they do not stray from the topic.

Business games enable participants to take an active part in education. What is done is the division of individuals into groups-companies, the groups include 5 or 6 people and they are given a period of time to reach the results given to them from the

beginning by the trainer. This technique is considered to develop learners' leadership skills, promote a sense of cooperation and develop the problem-solving process.

The formation of specific behaviors within the company is considered important and seeks to build a specific culture. For this reason training behavior modeling is provided by the organization. In this case, videos can be used that contain the way the perfect employee behaves in the organization, also the instructor can assign roles for a hypothetical situation and from there the learners can understand how they have to deal with a situation in which they are.

After playing the roles, it is considered very encouraging for the employee to be supervised, after all this, the application of their training in practice creates positive impressions. It is well known that teamwork in the context of work is pursued by the organization, as teamwork has been shown to develop interpersonal relationships by improving team effectiveness and also helps each individual to develop a sense of self-awareness. Therefore, education can be created around teamwork. Completing with distance learning and e-learning, in the first case, education helps people to be educated from any geographical area without restriction in space or time.

Taking into account all the above, the trainee must finally evaluate the effectiveness of the training. Appraisal can be defined as the process of obtaining information (feedback) for the educational program. It is often difficult to assess the performance of the training to the trainers, however the company wants to know if it was worth the money it spent, if the training objectives were achieved and if the training helped the trainees. The answer to all this can be given by some appraisal indicators, although education remains a practice whose benefits can be questioned, such a condition is the inability to correlate profits with the effectiveness of training. The participant's reactions are an indicator to understand how interesting the training was or how much it helped him, while the trainee may often undergo some tests to evaluate his performance in the program.

Equally important assessment can be done in the place where the trainee works, i.e. the supervisor has the ability to check if the trainee has changed behavior in the workplace or acquired knowledge to coordinate with the needs of the company. Assessment in the teams is an important and useful factor to measure the success of the program. In other words, a department can be evaluated by the effectiveness of productivity or sales, depending on the competence of the team at a time. Ultimately, the appraisal of a training aims at counting the whole company, i.e. how much the company benefited from the training program, it depends on the criteria that will be set by the company, but as previously mentioned training is difficult to assess the

overall result of the company. Companies conduct training programs in the following most popular sectors of the economy:

Development of technical skills, companies invest in training programs to train the employee, with the aim of smooth adaptation to the workplace and maximizing the company's productivity of the company. In the field of leadership, companies also invest funds in the training of personnel, since the branch of leadership designs and plans the directional procedures for achieving goals. The people who are staffed in this position must be specialized and have many leadership skills such as decision making, team motivation, and people management. Teamwork has been proven to improve work performance and by extension effectiveness in achieving goals. For this reason, companies design team development training programs in the workplace. The fifth type of communication is product and service information. Totally reasonable especially if the company needs salespeople to promote its products. Finally, many companies invest in training programs to develop the personality of employees. In other words, when the company's culture is based on teamwork and efficient communication with the team, then it conducts training programs to achieve this (Kenjo, 2021).

3.2. E–training and the impact of digital age

The practice of human resources through e-training has become a strategic tool for the business. Digitization of information has been included in education, creating a strategic advantage for companies. The most common e-training tools are sound, video, multimedia, e-books, email, chat and discussion groups (Kamal, Aghbari, Atteia, 2016). Some types of e- training are distance training, virtual training, online collaborative training, web based training, training by media (Amara, Atia, 2016).

The features of e-training make it easier to serve the goals of the business, because now the employee has easy access to the internet, this means that he has the ability to obtain information whenever he wants. It is obvious that the possibility of training has become easier, as anyone can attend training seminars, participate in any program that interests him and generally be up to date. The evolution of technology is felt around education, mainly on the part of companies there is a shift in interest in training programs, and it is often observed that most companies in the market inform the candidates from the beginning that an initial training will take place, before taking office.

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A well-known feature of e-training is that it allows people to participate in it from wherever they are, whenever they want, as well as to choose the education they want to attend since the options are many. On the part of the companies having developed the system of technologies, i.e. the use of internet and devices, it is able to train its staff in order to achieve the desired results at the lowest possible cost (Amara, Atia, 2016). A look at the following percentages clearly shows from research and empirical studies that e-learning is the future of the market. Initially 41.7% of the world's fortune 500 companies use technology platforms to train their staff and the vast majority of 72% of organizations believe that e-learning produces a competitive advantage (Karla Gutierrez, 2016).

3.3. The contribution of e-training to HR

Nowadays the digital age in the field of education leads to tremendous advantages. In this research, the advantages of training in the digital age and its contribution to the company's competitive advantage will be analyzed. Starting with one of the most well-known benefits, the elimination of commuting. Traveling is not needed as now the trainee simply opens the computer from his home and participates in the training program. There are seminars conducted by the best institutions and one does not even have to go through the process of traveling to attend. Therefore, both the company and the employee gain time and money. In e-training, there is the possibility for the candidate to choose the period he wants to follow the program and it makes it easier for him to follow the program whenever he can.

Another powerful factor of e-training that leads to significant benefits in the professional evolution and training of the employee is the strengthening of skills in social networks and digital tools of the time. In this way, it makes it easier for him to adapt to the changes in technology and adopt them, which is absolutely necessary in an era of change.

In conclusion, training was and will be one of the most important factors in the professional development of human resources, in addition, in a digital age, needs and situations change and training plays an even more important role in quick information and in their smooth adaptation to changes. E-training comes to develop the knowledge and skills of employees in a flexible way and less obstacles (Amara, Atia, 2016).

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4. The usefulness of compensation in the performance of HR practices

Job compensation is a driving force for employee performance within the organization. The compensation process is just as important for the employer as a satisfied employee contributes to the company's performance. Business performance can be measured in terms of productivity, cost savings and the achievement of goals set by the business each time. The competitive contributions of the company to its employees leads to the attraction of new candidates and the retention of existing employees, reviving the productivity of the employee. Companies use this practice of human resources to gain a competitive advantage.

The effectiveness of compensation is considered by many scientists to be linked to performance, which means that the company that provides the best earnings will attract candidates with higher qualifications, so this employee will remain in the company as long as his salary is commensurate with his performance. This process will motivate the company's employees to maximize their potential and achieve its goals. Insurance companies are a well-known example of offering competitive contribution packages which, however, are inextricably linked to the contracts that the employee will achieve.

In turn, the more efficient the employee becomes with the company's goals, the more he is motivated. Justice also plays an important factor in shaping wages, the fair distribution of compensation affects both the performance of the employee and the partnership, if there is an unequal distribution of compensation depending on the employee's performance, and conflicts will arise. The compensation process is also shaped by the company's culture, because it is considered that a strong culture leads to achieving the company's goals through the compensation system. In summary, compensation schemes are considered to encourage employees to achieve business goals Νάνου Παπαλεξανδρή (2008).

At this point it is important to mention that the employee takes into account the three functions that activate his performance in the organization. According to Νάνου Παπαλεξανδρή (2008) these functions are the following (equity theory, expectancy theory, Herzberg retention / motivation theory). According to equity theory the employee compares what he receives with what he contributes to the business. What he receives can be related to anything that gives him value this can be about good working conditions, developmental advances, financial rewards. If after the comparison the sign is negative the employee's performance decreases and the

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probability of staying in the company decreases significantly, on the contrary if the sign is positive the employee feels satisfied and is committed to the goals of the company.

The second theory underscores the importance of linking employee performance to compensation schemes. This theory emphasizes that performance effort and reward motivate the individual to perform more. In case the employee feels that his effort is included in terms of performance and is rewarded by it, he will be motivated and will align his performance with the goals of the company. On the contrary if his performance is independent of his effort and the remuneration does not depend on performance, this will discourage target execution.

4.1. Types of compensation and the relationship with employee performance

Compensation is divided into financial and non-financial fees. The company in turn determines which of them will use and which will not. Νάνου Παπαλεξανδρή (2008) divides the fees into fixed fees and types of variable remuneration based performance. The first category includes remuneration related to the employee's education, qualifications and previous service, for example a high school graduate will be paid less than someone who has completed a postgraduate degree, if the level of education is the same, the company may pay more for the employee with the most previous service, although it is considered a fair and objective practice, it is also governed by significant disadvantages that make it ineffective, such as in the case where both employees have the same degree of training and the same years of service the salary is the same. Without the company or the payroll manager taking seriously the importance of each position, i.e. both can be managers but one manages a team of 100 people and the other 5. A second major drawback is that this payroll system does not motivate employees as compensation schemes are not performance related. The salary of all managers of a company can be the same regardless of their performance clearly this system shows defects and negative consequences in the operation of the company. The second category of fixed remuneration systems correlates remuneration with performance and remuneration with the importance of the position. In other words, the size of the remuneration depends on the importance of the position and at the same time this remuneration can be increased depending on the performance in the given position. The more important or more responsible the position is, the higher the salary.

Finally there are systems related to the competencies of employees, it is a widespread and widely applicable function by companies, in essence the pay depends

on the knowledge, qualifications and skills that the employee has, if for example there are two employees with the same education, but the knowledge of one is more than the other, then the former will be paid more. It is undoubtedly a program of motivation and flexibility, creating a competitive advantage. The company must define a framework in which it will effectively use the compensation schemes both to attract talented candidates and to retain its employees. Necessary issues that the company must define and face are first the salary that it will offer to its employees, evaluating three things, firstly the amount that the company can offer to the employee, i.e. the capabilities of the company, secondly it must look at the salary given by its competitors. Finally, the company must create a fair remuneration system, which means that the size of the salary will depend on the position, the skills of its employees and clearly the performance of the employee within the company. Therefore by defining these three issues the company will be able to have an effective, fair and motivating compensation system. The second payment system is Performance Related Pay which is linked to either individual performance or team efficiency.

- INDIVIDUAL PERFORMANCE

The first case includes the bonus, the commissions and competence –based pay. Bonuses are widespread and are used by companies to subject staff to achieving the goal, whether it is about objective goals such as increasing sales or the bonus associated with employee performance. Bonuses have been observed to increase employee job satisfaction. Because the bonus comes with the salary, making the pay seems higher. Commissions are inextricably linked to sales, for example sellers are often given a commission if they manage to sell the product, the degree of commission is determined from the beginning, most sellers are either paid in full from commissions such as insurance companies, or are paid a commission-increased salary. Businesses believe that the higher the payroll, the more motivated the person is to sell more, attracting people with great sales skills. Great importance must be given by the management to the way the team is managed, because in the event that the size of the salary depends on the supply, the individual will probably become more competitive and the group relationship of the individuals within the organization will become more difficult. In the third approach of competence-based pay is based exclusively on the skills of the employee and not on his performance, distinguishing as soon as the candidate enters the company is trained and receives an amount of compensation, the basic concept of this system is to acquire skills within the company, that his company assigns many responsibilities to different positions, increasing his salary according to the importance of the position. In this way the person learns in depth the company and becomes a valuable member for it. Therefore when the salary depends on the

acquisition of skills the person is motivated much more to improve his performance at the same time.

- ▪ GROUP MOTIVATION

Group incentives have the same purpose as individual incentives, that is, they link compensation to individual performance, with the difference that performance is related to team effectiveness rather than individual performance. This category includes profit sharing and gain sharing. Profit distribution is performed by companies to motivate individuals. This practice distributes the company's profits to its employees, encouraging performance incentives. The goal of the company is focused on profit, if it is achieved a part of the profit is distributed to the participants. Employee shares go to all participants and usually this share is equal for all employees. This share can be given either in cash or in shares, in other cases employees can reinvest this amount or create a reserve and take it in the future. There are also current or deferred distribution plans. This practice has the following characteristics firstly when the company has no profits, the employees will not receive this amount and secondly the profit shares are linked to the efficiency of the team, thus it is not possible to distinguish who worked harder because everyone receives profit. Gain sharing is performed many times to achieve an effective level of productivity, quality and to improve working relationships with a focus on team performance and profit sharing. These plans are effective in smaller companies or in companies that have stable production processes or the company culture emphasizes the labor relations.

4.2. E-compensation in the digital age

HR practices using technology tools offer a competitive advantage. Compensation and remuneration systems are practices that serve the purpose of the company for high performance. Online compensation enhances the attraction of potential candidates, high-performance incentives and retention of employees via the internet and intranet. Compensation is therefore considered a central key to the utilization and performance of employees within an organization. According to Umar,Yammama, Shaibu (2020), e-compensation is positively affected by job performance. Like other human resources practices, compensation management software is a competitive tool that ensures that wages are competitive and that fair pay among employees is carried out internally within the business. Compensation platforms have now added data analysis tools and access to anonymized data, thus making it easier for employers to compare the pay rates of other companies in their field. The compensation data held in the software can include information about how salary is related to the industry,

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geography or job location. However, these compensation management systems also have limitations, as compensation cannot be linked to employee capabilities but to metrics and specific elements. The compensation management system is in proximity and can offer reading pay packages and following to attract the money with the highest levels, keeping them and reduce the cycle of work. If compensation can give a correct picture of the external market as well as the internal one, then the company can move competitively and offer a fast combination of remuneration resulting in the viability and profitability of the business (Thibodeau, 2021).

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5. Appraisal system that boost employees performance

Many companies have integrated the appraisal process as a measure of employee performance (Νάνου Παπαλεξανδρή, 2008). With this practice the company can know the effectiveness of the employee according to the responsibilities assigned to him. In the context of appraisal, feedback plays an important role as the employee has the ability to know the efficiency and effectiveness of his work, according to the standards set by the company. Νάνου Παπαλεξανδρή (2008) points out that the main uses of appraisal are primarily to set performance targets. Culture is undoubtedly a system that influences and determines the effectiveness of company goals. Common belief-value is beneficial to employee productivity. Therefore, it is very important for the company to structure its culture in this direction, so that employees in turn fully understand the corporate culture and embrace appraisal systems.

Appraisal also highlights needs such as education. For example from the appraisal it can be seen that the employee has a lack of knowledge about a specific project as the result of his work can be evaluated incompatible with the assigned task. The training comes to serve the achievement of the goal, stimulating the skills of the employees (acquisition of knowledge, cultivation of specific standard behaviors), depending on each time his individual needs. Developmental training programs also help to promote the employee, as training prepares him for more responsibilities. Therefore, by evaluating the employee in his work, educational needs are highlighted where they either improve the know-how and the skills of the employee for the implementation of a project or contribute to promotion.

After the emergence of training needs, appraisal comes to serve the company by building a fair payroll framework, strengthening the relationship between pay and employee performance. A fair remuneration system is considered the payment depending on the performance. That is, the more an employee performs, the more he or she is paid compared to another employee where his or her performance is lower. Employee performance appraisal makes it easier for companies to distribute fair remuneration. A basic condition for the effective achievement of this system is the fair application of the appraisal with objective criteria. The feedback between employee and boss has been shown to have a positive effect on their productivity within the organization. The boss uses the appraisal in more detail and reports it to the employee, this application is considered effective because when the appraisal is positive, the employee knows his performance and motivates him more, even the negative appraisal serves to improve the employee, as he is informed about his mistakes and the changes he needs to make to get his job done effectively.

Another advantage that the appraisal system brings to the company is useful data. This information can improve the better selection and attraction of potential employees. This situation occurs when the company collects appraisal data from the highest performing employees, in essence the company studies the way and the criteria that selected the most effective employees and directs this recruitment process in the future. The appraisal informs the company whether the process of selecting employees per position was successful or failed.

In conclusion the appraisal process follows the subsequent steps: initially the recognition of the goal, i.e. the understanding of what the company wants to achieve using the appraisal in the work system. Once he has set the goals, he needs to choose the procedure that will evaluate the employees and the way he will inform them. Responsible evaluators should be able to address the obstacles and see if the appraisal works effectively, and finally, after the appraisals have taken place, HR managers should discuss the results with the examinees.

5.1. Appraisal Methods - Human resource Management

Appraisals within the organization are divided into objective and subjective, on the one hand the quantitative assessments and on the other hand the assessments that participate in people's judgment. In essence, objective estimates are anything that can be measured, such as the number of insurances the employee has sold in a month or the number of products he has produced, in other words anything that links the employee's work to quantitative results, so the organization knows exactly data on employee performance, this system is considered fair, as the criteria are objective and not subjective. According to Νάνσυ Παπαλεξανδρή (2008), such quantities are the measurement of sales, production, personal data of the employee, the measurement of productivity, the method of performance of executives. The employee's personal data is used by the bosses to calculate the times that the employee may be late or absent from work or the number reprimanded by the boss, all this is added up and a numerical result is obtained. It is important to note that this method has its drawbacks, as all of the above may not be related to the employee's performance at work, so it is important for the boss to take into account his personal data and the employee's performance.

The effectiveness measurement test is calculated under specific conditions, this is determined by the respective work and the requirements set by the supervisors. For example, it may be time in relation to the required total sales. This method has some significant disadvantages, because it increases employee stress and is considered by many to be weak in its implementation because it is time consuming and expensive.

Executives are also subject to appraisals taking into account the effectiveness of the team they manage, such criteria are the sales or profits they have made to the organization. Subjective appraisals differ significantly from objective appraisals as in subjective appraisals there are performance standards and comparison methods, so that there is an effective appraisal system in the organization. The comparison method distributes a ranking from the worst to the best, i.e. there is an appraisal scale, where the boss notes the performance of employees. On the other hand, performance standards are based on another form of appraisal, not every employee is judged by comparison. More specifically, performance standards evaluate the employee individually. A common technique is graphical ranking scales where the evaluator records the employee's performance. Another subjective tool in performance templates is the weighted list. This list contains functions where the evaluator can check if the evaluator is performing.

Other important subjective appraisal methods that serve the superior in employee hagiography and are worth noting are innovative appraisal methods. These methods could work collaboratively, i.e. the boss emphasizes the personal goals of the employee and correlates the future development of the staff according to the personal goals of the employees and of course with the goals of the organization. Such a method is considered Management by objectives (MBO). In this case the boss and the employee set the goal together. In this way the person is motivated to work harder and self-assess his performance. In other words, this function stimulates efficiency and some characteristics of the employee, such as initiative, responsibility and diligence. An important point in this function is that the employee must be informed of his actions so that if there are any mistakes, he can correct them.

The second innovative tool is the participation of psychologists in the appraisal system. This process is mainly used for executives or new executives, because that is where the company believes that it should invest, for this reason it is not used in the lower ranks. Psychologists receive information from interviews, from the work of executive's record their feelings, their work, their concerns. Psychologists taking into account all of the above, evaluate the future performance of employees, such as whether they need training or whether the employee deserves and can manage a promotion and new responsibilities. Psychologists then play an advisory role, as intermediaries they help the company to create and place competent executives in the appropriate position. Those in charge use various techniques to evaluate candidates such as business games or decision-making exercises, etc., in order for candidates to come very close to real situations. Psychologists and managers evaluate these performances, for example weaknesses, strengths and try to make a future assessment of each candidate, in order to make decisions about the evolution of executives within the company.

A widely used appraisal process is the appraisal scale factor. This process includes the personal characteristics of the employee and the characteristics related to his work, therefore there is both quantitative and qualitative data. The evaluator there draws a table with a list and includes everything that affects on the one hand the performance of the employee and on the other hand the company itself. The evaluator must define a very clear and precise framework in order to have correct data. The more general the rating list, the lower its performance. In practice the evaluator puts points in each box, as soon as the appraisal is completed and one of these characteristics has a low grade, the evaluator must inform the evaluated of his / her low performance on the specific characteristic. At the end of the appraisal process there is a discussion between the appraisal director and the employee. Very often the employee feels stressed, anxious and hates the appraisal process, so the evaluator must have the technique and ability to show and explain to the examinee that this is done to improve himself and the company and that everyone even the director go through this process. It is very important for the person in charge to make it clear that job appraisal works constructively and not threateningly. In preparing this interview, the director should have identified the topics to be discussed. These issues include the performance of the employees within the company, the way in which the manager will help the employee to develop his skills until the next examination period (figure 1).
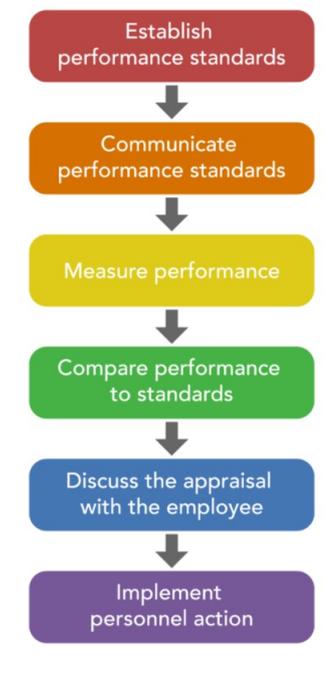

Figure 1: Process Appraisal System

5.2. E-appraisal in the digital age

As proven by all its researchers, technology is considered a competitive advantage for the companies that own it. In this work, through a qualitative research, it is proved that the human resources are directly involved in the technological development and consequently in the performance of the company. The technological development results from the creation of new ideas and research that has been preceded by capable people. It is necessary to have such people and the company to use all its strategic tools ensuring higher commitment. Evaluation by managers to subordinates proves that it motivates and activates individual innovation to achieve the business goal (Bowen and Ostroff, 2004).

The strategic tool used by human resources parties to achieve the goals of a company operating in a digital age is through innovative work behavior (IWB). The IWB aims to create, disseminate and implement new ideas (Parker et al., 2006). Employee-based evaluation is positively perceived by the IWB and therefore leads to higher efficiency, enhancing innovation work. This presupposes that the business should be led to a digital transformation focusing more on predetermined quantitative objectives and not in a traditional evaluation pattern such as predetermined behavior, office time and hours of execution of a project(Kampkkötter, 2016). According to Kampkkötter (2016), results-based evaluation creates an increase in employee commitment and alignment with the company workers in the digital industry. According to (Curzi et al., 2019) the usual amount of pay depends on the result and the evaluation studies the short-term goals performed by the employee.

On the other hand, researchers argue that to promote the IWB, evaluation should focus on the individual's knowledge and skills (Sanders et al., 2018). Many times, because the leaders of these companies operate in an uncertain market, it is difficult for them to set goals and set clear competency criteria, giving employees the opportunity to act autonomously and giving them the perception that this evaluation is a promotion focused on skills of their work innovation. In this case, when the evaluation is based on skills and works with a developmental purpose, the employees perceive this practice very positively, because it really improves their skills within the company and consequently they become more satisfied and more autonomous to perform a task. In conclusion, competency-based assessment is considered more robust than outcome-based assessment for IWB motivation (Curzi et al., 2019).

6. The organizational culture system and the effect of the company's goals

It has been stated by many researchers that senior executives integrate and use organizational culture to strategically succeed in the market. Organizational culture influences the way employees work, while as mentioned in the previous section, employees need to know the corporate culture in order to operate effectively within it. There are three important practices of human resources that have proven to be a catalyst in the organizational culture of the company.

The first practice of human resources refers to the recruitment of top candidates, which you clearly consider to be of utmost importance because the recruitment team must be careful in its selection, focusing on the needs of the company and the strategic goals it wants to achieve. The second factor is the reward which is based on a fair system of remuneration within the organizational culture. Fair pay has proven to be effective in retaining and engaging employees in the company and at the same time activating the employee with more motivation to embrace the company's goals. Socialization comes to give another dimension to the organizational culture, new members, and executives and in general all members of the business need to integrate and adapt quickly to the corporate environment. Training and mentoring programs are tools that managers often use to accomplish this. The use of symbols serves this purpose, such as rules of dress, manners, patterns of behavior of leaders, etc.

6.1. Organizational culture and corporate standards

Organizational culture is a set of values, attitudes, practical beliefs within an organization. The business operates according to the culture it has designed, so if an organization's culture is not effectively structured it is doomed to fail. Organizational culture includes the expectations, the philosophy of an organization, the values, the symbols, the vision and the rules of the companies and according to them the employees operate. The behaviors of the members are determined by the culture of the company. For example, in a car rental company such as, Enterprise that has a specific logo, there are dress codes focusing on staff training and how it treats its customers. It is currently one of the strongest and most well-known companies in the world, with a very strong and reliable relationship with its customers. This happened with the effective design of the organizational culture. The leader has an important role in the coordination and effective operation of the organizational culture. The leader must understand to develop and coordinate all behaviors within the organization with the corporate culture.
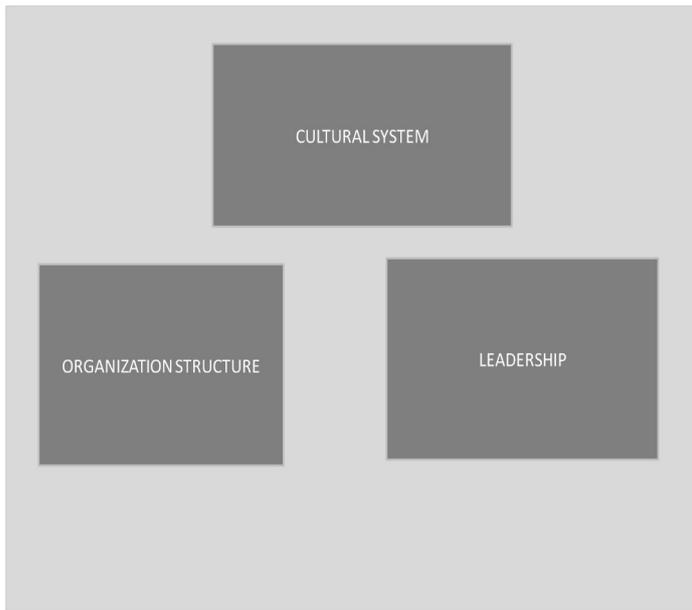
Figure 2: The culture system

There is therefore a link between leadership, organizational culture and organizational structure in relation to the achievement of business objectives (Schein et al., 2010). At this point it must be fully understood that companies do not need to have the same organizational culture if they want to be unique, as diversity creates a competitive advantage. There are some basic functions for building a strong and unique culture. Such functions are as follows:

➢ The alignment of the business goal with the functions of the employees, in fact all the employees within the company form a common line and focus on achieving the vision of the company.
➢ Trust is a key emotion that must exist in a corporate culture, in this way people trust each other, form groups that encourage each other, disseminate information and give people room for innovation.
➢ Appreciation spreads pleasure to individuals, giving promotion, praise or reward. There are various tools that a leader can use to reward people who have worked hard to achieve goals.
➢ Flexibility is vital in the company, especially in rapidly changing environments. The leader must see the changes and adjust immediately. Otherwise the fall will come quickly. There must also be flexibility within the company, with the leader looking ahead and leaving room for innovation.
➢ Performance is perhaps the most important factor in a business as it is reflected in productivity and profitability ratios. Thus, the companies that take

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this indicator into account most of the time safely decide on the future of the
business.

➢ Teamwork is the only way to achieve a goal. Teamwork is one of the most
important concepts in business, people need to communicate, share, stay
informed and collaborate. Only then will the goal be achieved more
effectively.

➢ Innovation-oriented culture can open up new markets and services. The leader
in this case must allow individuals to express themselves freely (Wong, 2020).

6.2. Types of Organizational Culture

It should be noted that the better structured the business culture, the more successful
the business will be. Every company, when it has its own culture, stands out in the
industry, gaining a competitive advantage. There is therefore a correlation between
company strategy and culture. This is highlighted in 4 important culture models
analyzed by Cameron and Quinn (1999), specifically the 4 types of culture are clan,
adhocracy, hierarchy, market. In particular, the hierarchy model emphasizes the
internal structure of the company, the position of individuals within it, is clearly
considered a bureaucratic situation. The culture of the breed is also part of the internal
structure of the company, focusing mainly on flexibility. In other words it deals with
the group, the interaction between the groups increases their commitment within it.

The company receives external influences from the market, so the market is
considered a model that influences the structure of the corporate culture. Finally,
adhocracy is the other end of the hierarchy, focusing on the external structure for
flexibility and adaptation. Strategy is vital or otherwise viable for the business. It is
not enough just to design a strategic plan, it is necessary to implement it in order for
the company to be viable. According to (Ahmadi, 2012) culture models are
significantly correlated with strategic implementation, from the race that has the most
correlation with strategy to the hierarchy having the lowest influence on strategic
functions.

A business that focuses on spreading social values, social attitudes and beliefs
creates a strong organizational culture. These beliefs, values and attitudes are
undoubtedly motivated by leadership or otherwise by the leadership style that is
formed. According to the above, culture has a significantly positive correlation with
leadership. Leadership is a multifaceted aspect of business, which exerts a strong
influence on business performance. It may not be seen as something directly related to
profits and performance, but without it is unlikely to yield. Every leadership consists
of its members, who achieve the goals of the company. Therefore leadership has a

great impact on the performance of employees and subsequently on the company (Ahmadi, 2012). Leadership style should be encouraging and supportive by promoting self-improvement and employee motivation, avoiding conflicts between company members and between employees and leadership. According to (Yafang Tsai, 2011) organizational culture is positively correlated with employee performance, therefore a focus on employee satisfaction and development as offering a range of training, lead to company performance (Daft, 2007).

6.3. The importance of innovation in the organizational culture

Innovation introduces new technologies by increasing a company's market dynamics. According to Aboramadan (2019) innovation can be introduced into three groups: product, technologies and behaviors. In the first case, product innovation means that the company has the ability to create new products, new services, new ideas, in order to attract a larger buying public, improving its market performance. Technological innovation is related to the ability of the organization to adopt and adapt to innovative technologies. Finally, the regulation of behaviors is manifested by the ability of individuals, groups, leaders to quickly adapt to new technologies in relation to competitors. According to the author (Chang and Lee, 2007) the organizational culture of the company is associated with innovation. Organizational culture can encourage innovation processes among employees, such behaviors relate to teamwork, initiative, freedom, business values for innovation. As mentioned many times in this quality research, a company that has clear values and has passed into the consciousness of the members of the business, the realization of each goal is easier. For example, if the company has the value of constantly innovating and introducing new technologies, people are working in the same direction, having fast reflexes. People follow the values of the company, for this reason, the company must have a clear organizational culture. According to innovation is related to the highest levels of profitability of the company (Afcha, 2011) and organizational culture is related to the performance of the company. According to a survey conducted by the Gartner Financial Services Innovation Survey in 2016, the biggest threat to implementing innovation in a business is an organizational culture that does not accept risk, failure, initiative and the adoption of new ideas (Forbes, 2017).

6.4. Organizational configuration & structure in leadership

The mechanism of change of goals and strategy within the company is allowed through the organizational configuration. In essence, it is a process of changing structure for evolution. The factors that govern it as shown in the diagram are the following: organizational structure, strategy, skills, human resources, management

style and organizational systems. In case the company wants to make a change, all these factors must be moved in the same direction for balance and evolution to occur. These factors will be analyzed in the light of the fact that the company may change its strategic activities. Such a potential situation arises when the company wants to change its vision. The vision is relevant for every business, it has to do with what it wants to achieve and what its capabilities are. It could be an innovative product that does not exist in the market, or an evolving service or even a revolutionary one. After shaping the vision, the appropriate practices for achieving it are determined. Once business goals change, business structures and practices need to be aligned with the new goals. According to Gerry Johnson (2016) those who play an important role in creating and executing the vision are senior executives and middle executives. In the first category are the highest hierarchical layers such as senior executives, in each department they create a vision (Figure 3).

ORGANIZATIONAL CONFIGURATION

STRATEGY

SKILLS

MANAGEMENT STYLE

ORGANIZATIONAL STRUCTURE

HUMAN RESOURCE

ORGANIZATIONAL SYSTEM

Figure 3: Organizational Configuration

The middle executives on the other hand function as executors of this vision. Their responsibilities include the monitoring of the staff, the control of the resources and in general the smooth execution function of each strategy and within the organization. The middle management has the ability to advise and assist senior executives in the context of a strategic plan, as they come into daily contact with challenges and difficulties, thus avoiding wrong decisions. They come in contact with customers,

suppliers, staff and senior management, gaining experience in many areas within the organization, in contrast to senior executives. In the context of a change of strategy, the middle executives must know from the senior executives the vision and how this will be achieved. From there on, they undertake to achieve it.

The organizational structure is entirely related to the hierarchical system of power, competencies and responsibilities that govern each unit within the organization (White, Bruton 2010). At the top is the CEO, after the middle sections and at the bottom the last layers of the hierarchy that work executive for them from above. The middle ones usually consist of sales and marketing departments, production department, human resources department, research and development department, financial department, purchasing department. At the bottom of the hierarchy, each department receives responsibilities separately from the respective department.

According (White, Bruton, 2010) organizational structure is divided into three categories:

- vertical structure-functional
- vertical structure-divisional
- vertical & horizontal-matrix

6.4.1. Functional organizational structure

The functional groups usually concern mainly new companies or small or large companies with a small variety of products. The functional structure are considered a vertically integrated hierarchical structure where it separates the work and the individuals within the organization by specialization. According to the diagram, this structure belongs to the middle hierarchy (human resources, finances, etc.). Each section has its own specialized staff and a manager. The manager in turn delegates responsibilities and tasks to the members of his team, for example the employees of an accounting department, should be accountable to the head of the department and he in turn to the manager of. This structure has advantages as with the supervision of the executives in the respective departments, the errors and the problems are reduced and at the same time the control mechanism is reduced. Achieving time to be used more efficiently increases productivity, efficiency and teamwork. Thus forming dedicated members within the department. On the other hand, it is considered that the senior executives can set aside new changes and strategies focusing on the control of the

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departments, also another disadvantage is considered that in the functional structures there is a difficulty of coordination between the groups.

6.4.2. Divisional organizational structure

Large companies introduce the divisional structure in order to operate efficiently in the market, it is addressed to companies that have either spread over a large geographical area or have a wide variety of products and services. In the case of the divisional structure, it has its own manager and staff. The manager has the right to introduce strategies and manage his unit. On the other hand the headquarters have full control over the productivity and financial performance of these units. A large group will dismantle this structure as it allows it to be everywhere and at the same time to track the performance of the scattered units. Also a very strong point of this structure is that because each unit operates independently, it acquires skills and specializes in a specific group of products or services. On the other hand, important issues arise, a group can easily lose control of the units if it does not use systematic and effective control procedures, then many times the cooperation between the units is lost (White et al, 2010) (Figure 3, Appendix A).

6.4.3. Matrix organizational structure

The matrix organizational structure includes the two previously structured delivery structures, the functional and the departmental structure. So there are two chains of management: an executive director such as human resources or marketing manager and a project manager, contributing to collaboration, knowledge dissemination and cost reduction, as in this case there is a solid human base. Therefore a multinational company may decide to establish a marketing department in each geographical area, if it notices that its product preference differs from one country to another and needs specialized promotion. But at the same time he may want to set up a central production plant creating economies of scale and specialized knowledge. Such a balance of power between executives creates unquestionably significant problems, such as ambiguity of duties, delays in decision-making, confusion in the employee and a high level of friction.

6.5. Organizational structure in leadership.

After researching leadership, David Ramsey comes to add another etymology, which is <entreleadership>>. Through his own experiential experience in the field of business, offers readers a different way of thinking about leadership and the risks

involved. He basically suggests steps, procedures and analyzes his own mistakes and how he overcame them and kept trying. Some important factors that he cites in his book and serves to motivate people are the creation of a dream in other words "dream big dream". Creativity and optimism certainly contributes to the cultivation of a goal but is not enough in a competitive environment, for example in everyday life very often people want to quit smoking, but what do they really do about it and how much do they try to achieve this goal. So dreams are a driving force to get started, but it's not enough, it also takes methodical effort.

Unlike dreams, the next factor that follows is vision. The vision is how a company wants to exist in the market, how it wants to be seen by its customers, its employees and in general the whole market that constitutes it. People who work without any ambition or vision go nowhere. They will remain stagnant in what they do. Practically a company if staffed by people who only look at numbers, there may be an increase in turnover in the beginning, but eventually the company's sales and performance will fall. No business wants to have passive employees or vice versa, hardworking people do not want to work in a company that remains stagnant and has no vision to move forward and evolve. Therefore, a business that either consists of such people or the business itself has no vision is doomed to fail.

David Ramsey also shows a dimension in the process of Entreleadership the mission statement, a dimension that still influences the whole business culture. It is used as a competitive tool as the companies that operate in this way have from the beginning defined the direction they will move in the market. In the beginning, when the company starts, it defines a frame, the name of the company, who it will address, who its competitors are, who it wants to reach, what its new goals will be. It could therefore be stated that a consignment statement serves as a guideline. This statement also includes characteristics such as skills and abilities, i.e. "what the organization can do" So when a company is already in the market and wants to adapt to the new data, it must consider whether it can do it or whether the he really wants.

Another feature that is present in a shipping statement is the values and dreams of the company. A very common word in many financial books but at the same time so important, are the goals. The goal is to turn the vision into action. Goals exist in everyday life and people are called upon to fulfill them, either in their own goals or in their work. Each goal must meet the following conditions to be achievable: Specific and measurable: a wish or hope is not enough to achieve a goal, instead it needs a defined goal, especially in the business sector, for instance the goal can be considered to increase sales by 20% per year.

Therefore, this goal meets both conditions to be achievable. Another condition is that the target should have a timeline, in the same example the company wants to increase sales by 20% next month. So a specific goal and date has been set. The leadership, after defining its goals, must formulate and disseminate its strategy clearly. Dissemination of the goal facilitates the creation of communication groups. Communication works in a context that encourages these relationships by contributing to the achievement of the goal, as individuals begin to need each other and share information with each other. Practically, a unity is created between the members; everyone strives and fights for the same goal. In order to create unity, business culture plays an important role. If you want to create a company that is fun at work for, where the productivity and creativity are high, and that you are actually glad to lead, you must create a culture of communication (David Ramsey, 2011).

6.5.1. The importance of communication in the performance of leadership and company goals

The culture of the company when promoting and advocating communication, creates a climate of trust and commitment, it is very important that the leader of a team trusts the members and tells them the whole story. In other words, a true leader inspires and creates a sense of trust and commitment, individuals work towards the same goal and with greater passion for achievement, and on the other hand if a manager does not do these he remains a boss.

All companies seek to maximize their productivity, leadership comes to enlighten and provide solutions to companies that want to achieve it. Communication comes to share and spread the vision, dreams, statement and goals of the business to all the parts that make it up. According to David Ramsey suggests some communication methods that can be used:

➢ Staff meetings: each company determines when a meeting between the teams will take place and what its goal will be, for example, it can be scheduled each week. This time is considered an effective period in order to adjust the targets according to the requirements. Such a process encourages collaborations between members creating a sense of unity.

➢ Static meetings: in this method the company sets a specific date and does not change it. Contributing to productivity. On the contrary if the meetings took place in unexpected periods it can create upset and low levels of performance. It is important to have continuity and a series of things, because then

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employees become familiar, begin to understand and ultimately perform better than incoherent actions that can lead to panic.

➢ Mail: this process facilitates and promotes communication between the team. There are some risks such as misunderstandings and misinterpretations. Basically, it creates ease in the discussion.

➢ Weekly reports: operates as a performance and control tool from both parts of the company. That is, on the part of the manager and on the part of the team or an individual employee. More specifically, the project manager receives the weekly report to know on the one hand the actions of the employees and on the other hand at what stage the project is. At the same time it helps the employee because he optimizes some of his skills, understanding what stage he is at and how much time or effort he still needs to complete the project.

➢ Annual appraisals: in this case the companies evaluate their employees on an annual basis. This report can be made annually and more than once if the company deems it necessary. It is definitely a very important process for the performance of the company, but also for the professional development of the employee.

Obstacles that can be avoided in a team group

The unification of a team is of great importance and is sought by all organizations for the achievement of higher levels of performance.

▪   What must be avoided in order to achieve unity?
➢ Occasional communication, the team must have a clear plan for the company's goals, the more casual the communication between a team the lower the performance of the project. Only a strong team will move the company forward, spreading its vision and goals to all its members.
➢ Gossip is second and very common, one of the unit's worst enemies, it destroys all communication and the group disintegrates. In this case the manager has the option of either warning the employee or dismissing him. The manager should not allow any kind of gossip.
➢ Unresolved issues create quarrels and tensions between the members of the company. Leadership in turn can either teach the group how to deal with these problems between groups or by encouraging discussions until a solution is

found. No manager seeks subordinates to be friends with each other, what is required as a condition is respect.

➢ Another important factor of confusion between groups is the possession of people with low abilities. It is considered the reason why a team remains stagnant or unproductive in the company's requirements. In this case the manager must handle the problem skillfully. Dismissal is a quick way but it will cause fear in the rest of the team, while on the other hand if it keeps him for a long time it will show inability to manage such a situation. A leader must find the balance between these behaviors and resolve it discreetly.

6.5.2. The right practices and behaviors of leadership in a team

A key criterion that separates good management from leadership is change. Leadership style analyzes certain patterns that one encounters within the organization. One of the characteristics that a leader can have in an organization is persuasion, that is, he has the ability to convince business members of the need for a strategic change. Persuasion is often created either by the trust that the leader builds with his members or by explaining in detail and carefully to his team the reasons why the strategy needs to be shifted in another direction.

Once the strategy is implemented, the leader must monitor the plan and reward executives and the team. Another leadership style focuses on participation, ie the leader of a team continues to have full responsibility for the project, from the beginning to the achievement of this change but with the parallel participation of executives, more specifically executives can be assigned responsibilities such as generating and gathering ideas, detailed studies related to this change or arguments in favor of this change, and even detailed planning. Therefore, the responsibilities associated with the change plan are shared among the members under the supervision of the leader.

Executives for their part have the know-how to promote and implement this change, always in agreement with the leader. Projects are divided into groups that can be called either project groups or work-groups. Leadership style emphasizes the direction, in a few words the leader clarifies the strategy to be implemented by the executives, and then the members are obliged to follow the orders from the leadership. In some cases it is considered effective, especially when time forces the company to change strategy quickly. Among the most common leader traits are transformational / charismatic leaders and trading leaders. In the first case the leader creates a vision, a new idea or a change of strategy, then explains to the members

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what he wants to achieve by encouraging the executives to realize this vision. The other side of leaders, and very different from the charismatic ones, operates in a database, focusing mainly on data, in which case the leader very often cultivates a strategy or a vision based on financial data.

6.6. Implementation of technology and innovation in leadership

Technology has spread all over the world. Most companies of all sizes are struggling to survive the changes and the competition. Without adapting and getting used to the changes, the exit from the market is almost certain. Therefore most companies have to look in the direction of technology and innovation, the farther a company is from the competition the more viable and profitable it will be. In order to be able to create an innovative product or a service or at least to introduce something that already exists, 4 catalytic factors are recommended that must definitely exist. These factors are:

➢ Leadership

➢ Commitment

➢ Expansion

➢ Alignment

6.6.1. Innovation Leadership Style

There are many versions of well-known researchers about what leadership means and what its role is in business. For example:

Peter Drucker: "The only definition of a leader is someone who has followers."

John Maxwell: "Leadership is influence - nothing more, nothing less."

Warren Bennis: "Leadership is the capacity to translate vision into reality."

Bill Gates: "As we look ahead into the next century, leaders will be those who empower others."(Forbes, 2013)

Based on the above, it could be said that leadership is a relationship of influence between people, with the central pillar maximizing their performance within the organization. It is therefore considered an integral part of the company and vital, especially in a rapidly changing environment. In the case of companies introducing technologies and innovation, leadership plays a critical role in achieving the goal of the company and its viability. One of the basic conditions for the implementation of technological development within the company is considered the staffing of flexible and creative people.

<u>What should a successful leader do?</u>

According to White, Bruton (2010) a leader must create an environment where employees will be more productive, creative and efficient. This means that they must be open to a new strategy, promoting all the teams in the organization to carry out the vision and mission of the company.

Creating an environment with these characteristics presupposes coordination and cooperation between the leader and the members of the company. More specifically, in order to be coordinated, over-analysis must be done and tasks must be assigned in an effective way. Leadership that focuses on innovation must have judgment and vision make decisions, see demand before other leaders see it, in other words not make decisions based only on data, but also by instinct. To be clear, when a company first starts to create a product, if it waits to perfect it, it will lose valuable time at the risk of another company having time to market the product. So a leader must be inventive and have quick reflexes. The leadership must clarify what is its vision and the direction of the company and after being understood by all members of the company, and then creates an environment in which this goal will be realized.

An important action of a successful leader is to design a mechanism that will encourage innovation. Such a mechanism is considered the communication between the members of the company, in the sense that they exchange ideas, knowledge and advice. Leadership must strengthen the communication network with members, for the exchange of new ideas. Such a process can encourage innovation the company achieves its goal. The third action concerns the efficient allocation of resources. In this case, the authors argue that leaders must have programmed an abundant number of resources to offset the risk of a radical or ongoing innovation. In other words,

leadership must secure a staggering amount of human, money and other resources to achieve the technological strategy.

6.6.2. Strategy Leadership-Commitment

One factor that comes to take an important place in the company is commitment, at this stage the key issue of the leader is how to push all members of the company to follow in the same direction. Culture is considered a very important element for there to be a commitment in the company, that is, to have a common direction between the institutions. A well-known example is Microsoft, which has built a culture on which it launches its products in a set time frame, so that its competitors do not overtake it. More specifically, Microsoft changes its software every two years by upgrading it, so Microsoft employees operate on a new culture base, flexibility and initiative. In conclusion, in order for a business to be viable, especially in highly developed economies, the culture encourages the characteristics of flexibility and change, in order to enhance the commitment of the employees in the company. Such practices are:

1. Creating a culture that encourages and promotes knowledge

2. Training and development of employees' skills

3. Individuals to be guided by the person in charge

A company operating in an environment with drastic technological changes is required to cultivate a culture that will cope with the rapidly changing environment in order to survive. A culture based on the cultivation of knowledge and the exchange of ideas creates a competitive advantage. The company needs specialized staff, especially if it wants to move to a different environment, either through an innovative product or the provision of a different service. The staff that will be staffed to implement this strategy must be trained the company on its part must provide this training. Some successful actions that the company can take to enhance the skills of its staff, are initially the assignment of responsibilities, when an employee feels that he's responsible to the company and that his role is important within the organization, he will be more motivated to evolve and develop his knowledge. When the company announces its goals and strategy, the employees know that the company will hire new highly qualified staff, and then the existing people are motivated to attend training programs to be useful, effective and to stay in the organization. Another successful plan is to monitor the external environment, it is considered a strategy that helps the

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company look at new techniques and improve existing ones. By monitoring the external environment the company receives information that serves it in strategic decisions. This can be done by newcomers who are in touch with new technologies and can help executives see a new existing technology. Companies in the technology industry usually encourage coaching among its members in all directions. This often allows newer scales to guide the larger ones, as younger people are often more familiar with technology and have more knowledge about the evolution of technology.

6.6.3.Strategy Leadership-Expansion

The company, seeking to broaden its horizons, enters a competitive environment, using the expansion policy. So it can not only enter a competitive market dynamically but also level it. The extension can occur either through product creation or through improvements to the existing product. The functions for implementing the extension are:

* Diffusion of knowledge

People play an active role in this. As there are people who come into contact with the outside environment and receive influences and information that may be useful to the company in which they work. Equally important is the existence of a culture based on communication, as if it does not exist, then the information will not be disseminated to the organization. Dissemination of information is therefore a key factor in implementing expansion and implementing innovation.

* Exploring new horizons

The organization must keep its eyes open to see new opportunities. Utilizing these functions promotes the implementation of innovation and the effectiveness of expansion. Expansion is positively related to innovation. People play an active role in this. As there are people who come into contact with the outside environment and receive influences and information that may be useful to the company in which they work. Equally important is the existence of a culture based on communication as if it does not exist, then the information will not be disseminated to the organization. Dissemination of information is therefore a key factor in implementing expansion and implementing innovation. When a company promotes a culture based on communication and knowledge sharing, it stimulates the search for new opportunities.

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- Monitoring and stimulating skills

An important criterion for the implementation of the extension is the monitoring of competencies. It is commonly accepted by many researchers that the company gains a competitive advantage through the skills of its employees. As it is considered a non-reproducible resource. In order for a company to complete an eclipse, it must know if the people who have taken on this job have the skills to perform it. On the contrary, if it is undertaken by someone who does not have the appropriate qualifications and know-how, it is most likely that malfunctions and problems will arise. An effective practice is the continuous monitoring of the strategy by the company and development programs to check the competencies of its employ.

6.6.4. Strategy Leadership-Alignment

Alignment plays a vital role in the implementation of technology. It basically coordinates all the systems in order to achieve the strategic goal set by the company from the beginning. Alignment in other words serves the business in implementing an innovation. As mentioned at the beginning, the processes that contribute to the implementation of innovation are leadership, commitment, expansion and alignment. It is not considered easy in practice, but to complete an innovative strategy all parties involved must align their practices with the strategic goals of the business. The three catalysts for implementing this process are building coordination, establishing a link between rewards and goals, and third organizational structure.

- Creating coordination

When a goal is created it must be realistic, whether it concerns the financial situation of the company, or its equipment, or its human resources. In order to complete a strategy, the company must commit to coordination by all the systems (internal structures, external factors) that make it up. Which means that the goals set by the company must be aligned with the processes of employees, with external teams (suppliers, customers) and in general with all the structures that affect the implementation of its goal. It is accepted by many researchers that a culture based on communication and flexibility leads to the exchange of ideas regardless of scale or department. There must be articulatory and supportive conditions between the departments - groups and interact with each other towards the same goal.

- Reward and empowerment of motivation

The second alignment factor encourages the reward and incentive process, in other words, it is argued by many that companies benefit from rewarding employees' efforts, even when they fail, then the company must show confidence and freedom to individuals. People with multiple skills such as creativity, initiative, flexibility combined with reward enhance employee motivation and the company achieves its goals. Remuneration practices promote the implementation of innovation by contributing to the viability of the business.

- Organizational structure

The organizational structure contributes to the business strategy, plays a vital role in the creation of ideas, i.e. in innovation. The reason is that it coordinates the functions within the organization and distributes the information to the members. The staff within the company must know the company's strategy to operate according to the new plan. How the structure will be shaped in the company concerns the type of innovation and the degree to which the company innovates. Therefore, how strategically innovative a company will be depends to some extent on the organizational structure, on whether that structure is flexible to change, how quickly it disseminates information to its members, and whether all members of the organization are coordinated to achieve a common goal.

Guidelines for the implementation of innovation by executives:

In order for these individuals to operate efficiently under an innovation regime, there are guidelines for the company to effectively manage the technology it possesses. These are:

> Putting the right people in the right place, for example a technology-promoting company, requires placing a manager who envisions and encourages change.
> Appraisal of strengths and weaknesses of its staff with an approach to the technology it manages.
> Realistic priorities.
> Checking the technological status of the business, that is, recognizing at the most point of the curve is finding solutions to get where it wants.
> Existence of structures that will recognize the opportunities from the external environment.
> Appraisal and control in the implementation of innovation.

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7. Human Resource Managers' Role in the Digital Age: Creating Value

The biggest goal of companies is to create value, it could be said that it is an effect that creates long-term viability in the company. Companies that look at the long term have understood that efforts should be focused on creating value and not profit. Profit is considered a short-term situation while value has been noted as a long-term benefit to the business. Value creation according to the author (White et al., 2010) is defined as the implementation of an innovative process for the creation of new products or services with the central horizon of changing the competitive environment. Value creation takes into account the resources of the company that will create a competitive advantage. These resources are divided into 2 categories: tangible resources (facilities, equipment) and intangible resources (trademark, recognition, culture, etc.) at the same time they must meet certain conditions in order to be a competitive advantage. According to the author (Amit and Schoemaker, 1993) these resources must have the following properties in order to make it difficult for the competitors of each company to imitate it. These properties are:

1. Resources that is difficult to copy

2. Resources that is unique

3. Resources hard to find otherwise rare

These resources, whether tangible or intangible, are considered a strategic asset of the company (Amit and Belcourt, 1999). Value creation is a long process and requires a commitment from the company to create and implement it innovation either means improving existing product or making new purchases with continuous improvement in productivity and efficiency practices. Human resource practices are positively related to business performance (Becker & Huselid, 1998) the outcome of each practice is different in each business, as well as the choice of practices to be used to achieve the strategic goal (Sheppeck &Militello, 2000).

The use of human resources practices combined with innovation will lead the company to create value as previously proven by researchers. Practices that serve this

purpose are training with an emphasis on skills development, performance with an emphasis on compensation, and team building. These practices are often interlinked by strongly promoting innovation actions (McDonough, 2000). The business climate should encourage these practices, which is why business culture plays a key role in implementing innovation. More specifically, it must offer training to its employees, motivation and freedom with as few obstacles as possible, always in line with the goals of the company Leede, Looise, and Alders (2002). The training is analyzed in the section with the practices, what is important to note at this point is that by strengthening the skills of the employees, the commitment of the employees in the company is strengthened, leading to higher levels of corporate performance (Lee & Miller, 1999). Reward on the other hand not only strengthens employees' commitment to the company but also motivates people to innovate, while leading the company to higher levels of innovation performance (Rousseau & Wade-Benzoni, 1994). Likewise, team development has proven to be an important factor in creating innovation for this and the innovation culture-focused business culture invests in teams to develop products and services Hoque (1999). In conclusion, the company can choose the framework of practices that it wants to use to lead to its goal, the practices of training, performance and team development strengthen and lead the company to higher levels of innovation when there is a development culture oriented in the same direction, more specifically organizational culture acts as a mediator between human resources practices and innovative performance.

7.1. Digital Age: Employer Branding & Organizational Value

From the practices analyzed, the digital age has been recognized by many researchers as influencing leadership, organizational culture, career opportunities, and remuneration policy and therefore has a direct impact on the company image. Practices such as talent management and employer branding have a greater impact on the company profile. The employer brand creates strong and authentic organizational value outward by attracting top talent using digital communication channels for potential candidates. The company culture has an active role in managing the practices of human resources, digital tools promote this culture outwards by strengthening the brand employer and consequently the attraction, and recognition of amazing talents. Each company can build a different culture and this highlights its uniqueness and competitiveness in the market. There are some common organizational values that must be present in every company in order to reach top talents and commit within it. Such values are the following:

1. Management of strong talents by offering professional but at the same time personal development, ensuring their training, coaching, and tools the company considers that will enhance the skills of the candidates.

2. Career development such as delegation of responsibilities with important projects, promotion, and recognition.

3. Fair rewards and bonuses.

The employer branding creates a strong and authentic organizational value outward by attracting top talent using digital communication channels for potential candidates. It is important that staff know and manage social media. Nowadays most companies use social networks to increase their branding name in the market and one of the reasons is to find top talent. Some of the most famous and used talent acquisition tools are LinkedIn, Facebook, Google, the company website and popular portals like Indeed and Jobboard. For this reason, the role of the leader is interactive and high skills are required for the effective management of the candidates in the light of the digital age. The graph reflects the responsibilities of the leader in the digital age for acquiring top candidates and their commitment to the company (Mihalcea, 2017). A good employer branding strategy help attract better talent, cut down on hiring costs, and reduce employee turnover (Caroline Forsey,2020).

How to build a strong employer branding?

    1   Use videos, blog posts, and photos for the storytelling of the company

One of these tools is to create a blog or a video, where the leader creates rich and competitive content, enhancing the motivation of the candidates to press the apply button. The leader determines the way, the language and the tool he will use to communicate with the potential candidates. Certainly, a video serves this purpose better on the one hand because it creates a different code of communication, many times warmer and more familiar than an article, and on the other hand because there is a clearer explanation on the part of the company about the organizational culture and policies it pursues. The manager must introduce the technology and integrate it into the organizational culture.

    2   Development and learning opportunities

It has been mentioned many times in the work I analyze through quality research that there are 2 important practices around human resource management that greatly affect the performance and image of the company. These practices are the recruitment, i.e. the selection of top talents and their

retention within the company. Employees need development opportunities to stay in their jobs, this happens with curricula, career development, compensation and benefits (Lybrand, 2018). Sum up, a leader must look at trends, changes, needs quickly integrate technological developments in order to have a competitive advantage and viability. A capable leader in the rapid period of technological development is the one who utilizes transforms the traditional practices of human resources into strategies in the light of technology.

7.2. Challenges digital age in leadership and HR

This extensive master thesis described the role of HR in the human resource management in business, and with qualitative scientific methods lead the way for the successful interpretation of the challenges that companies and individuals may face in the 21st century.

However, there are many challenges for the leadership in a modern business during the digital age which will be shown in detail below. Employees- or human resources, as we gladly claim them to be in this thesis- sometimes are resistance to change, which makes leadership and HR management a demanding task to the manager. Moreover, employee motivation and satisfaction is often a burden that managers find it difficult to overcome, while stuff relevant to the task that are asked to overcome is sometimes difficult to obtain. Finding skillful employees for qualified digital age tasks is an ever increasing problem, as employee retention is a common problem for many modern businesses. This issue becomes even greater as "old" employees are sometimes reluctant to change, and "new"-skilled for digital age employees face difficulties on working together with old staff. A manager should always see the difficulties in the said tasks problems, and have an agile personality in order to overcome not only on the job problems, but problems arising due to the specific character and employees demographics. The digital transformation has also a lot to do with the company's culture. The said transformation has to have a unique character, and comply to the work ethics, the culture and the customs of every company.

The generation change is responsible for the said problem, and the HR competency- as well as the whole company arrangement must be carefully observed to avoid misunderstandings and negative speculations. The digital transformation and digital communication also plays a vital role nowadays. In the 21st century, everything happens faster and more agile. If a company also sales items or services, the transformation is even a bigger deal that needs internal corporate integrity, a challenge that needs co- operation and skilled managerial positions in order to be

settled. Human resources management is ultimately responsible and has to attest how businesses must use the human resources they have in order to face and solve the tasks they have while simultaneously synchronizing their task (and whole operation) with other tasks inside the company and the outer world, either this be competitors, or most importantly, co- operators.

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Conclusion

   Human resources undoubtedly play an important role in the competitive advantage of the business. The practices analyzed are vital for increasing the company's productivity and subsequently its sustainability. Recruiting and acquiring talent is perhaps one of the most important HR practices, however it is not enough for the company to acquire highly qualified staff. The biggest challenge lies in keeping this talent within the organization, as it has been proven that the work cycle is reduced. At the same time, it is quite time-consuming and costly to resign and hire people constantly, while it simultaneously harms the image of the company. Some strategic business practices that have been proven to increase employee retention and commitment to the organization are training combined with proper compensation and evaluation function. In conclusion, these HR practices when applied in combination, then the company succeeds in gaining a competitive advantage. The digital age is coming to revolutionize the field of HR in a positive direction. The role of HR in the digital age plays an even more important role, as companies are now operating in this direction, therefore the stagnation of HR in the past will cause damage to the viability of the company.

   The transition from functionality to strategy is now a prerequisite for organizational sustainability. This transition depends on the culture of the company. Culture is about the philosophy, expectations of the business and everything that adds value to the organization. The more different the culture is from other companies, the greater the competitive advantage it will have. Culture has been shown to have a positive correlation with leadership, so leadership practices must match culture. Leadership has to coordinate all functions and practices of the organization towards the company's goal and strategy. Culture plays a role in the success of alignment and coordination from all parties in the same direction. The more the culture is oriented towards innovation, technology and change, the higher the performance levels the organization will have.

   Culture acts as a mediator between human resources and performance. The role of the digital age in leadership combined with organizational culture requires change and rapid adaptation. Leadership must combine an innovation-oriented leadership style, an expansive policy toward new technologies, alignment of all organizational members with the organization's goals, and finally the commitment of members to those strategic goals. Certainly one of the most important challenges for companies is the rapid changes in technology and innovation. However, stagnation will cause a lot of damage in the long run. Now both large and smaller companies survive only on their flexibility and adaptation towards the digital age. The main conclusions drawn from

this qualitative analysis are that HR practices are correlated with company sustainability. For this reason, the organization's leadership must align these practices with the company's goals and needs.

The second conclusion is that in the digital era, that is, in an era of technology and change, the organizational culture of the company is linked to innovation and consequently to the performance of the company. Within the company there are 3 important aspects that affect the performance and sustainability of the organization in the digital age, leadership, organizational culture and innovation, and all three variables are related to each other. For a business to survive in the digital age, these variables must be aligned with the organization's goals, adapt to changes, use an effective leadership model, have a culture geared toward innovation, and have an effective communication model and an efficient administrative system among the members of the organization. It should be noted that the organizational culture creates value within the company and therefore competitive advantage. Research has proven that value creation is determined by the integration of innovation into the company's operations. To achieve business value and subsequently profit, all functions within the organization (HR practices, leadership and culture) must be aligned and working towards the same goal.

Finally, employer branding is a modern issue in the digital age for most companies, especially large companies that are interested in building a perfect digital presence to acquire top talent. Employer branding has been proven to create a strong organizational culture and consequently a competitive advantage as it has a huge impact on the corporate image.

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