

How Tech Has Changed HR — and What Can We Expect In the Future

A quick guide to adapting to the changing HR technology landscape, how HR technology can revolutionize your employee management strategies, and what the future of HR looks like.





In a 2016 survey of Fortune 500 CEOs, the “rapid pace of technological change” was cited the most as the “single biggest challenge” facing today’s companies.

Our world is in the midst of rapid, expansive change fueled by evolving technology. The emergence of data as a tool for decision-making—and as a commodity in and of itself—is transforming the way business is done throughout the world. Cloud-based solutions and data, mobile computing, the Internet of things, social media—many of the strategies and tools so vital to today’s business functions were merely ideas 10 or 15 years ago. Many sectors are still discovering how the power of new technology can drive strategy. HR is one of them.

This document examines the power of HR technology to transform how organizations hire and manage their teams, and what the future has in store for HR tech.

Big questions ahead

As you explore this document, consider these important questions about how your organization is preparing to meet the HR tech needs of the future:

- ✓ How will the increasing presence of AI in the workplace affect your workforce?
- ✓ How can you use HR Tech to Upskill your workforce?
- ✓ How will you manage your diversified workforce in 2025?
- ✓ What technology have you implemented to help bridge the generation gap of a multi-generational workforce?

The HR Tech Revolution



“The people data revolution, predicted for years, has finally arrived.”

– Deloitte

Organizations throughout every industry are quickly realizing the power of technology—including human capital management systems and other tools-- to transform the way they make important decisions about the people who work for them.

Let’s dive in to see how technology is revolutionizing HR when it comes to:

- ✓ Recruiting staff
- ✓ Engaging your workforce
- ✓ Gathering and managing important data

Recruiting gets social

Today’s recruiters have a powerful tool in social media. LinkedIn’s vast professional network is the most obvious tool for HR professionals. But, other popular social media channels like Twitter, Facebook, Instagram, have also proven valuable for:



Finding quality candidates



Advertising new positions



Promoting company culture and brand



Celebrating company milestones and achievements

Beyond the big social media platforms, other software solutions can help companies recruit in a smarter and fairer way. Tech company Atipica, for instance, uses a company’s own data to highlight patterns around recruiting. Recruiting software company, Entelo, uses AI to help highlight candidate skills beyond just their resume. And, Nakisa’s Hanelly org design solution integrates with companies’ HCM platforms giving data visibility that can help inform hiring.

Engagement: More Than Surveys

It wasn't too long ago that employee engagement was limited to annual feedback surveys and the occasional catered lunch. Today's employees expect corporate cultures that are supportive and flexible. And, technology is revolutionizing how and where work is done.



“Given the nature of work today, if leaders want people to engage with their organizations, they have to give them a flexible and supportive work environment.” – Josh Bersin, Deloitte Insights

Here's just a few ways tech is changing the nature of the workplace:



Online work tools



Work location flexibility



Chat bots



Real-time, easily-accessible information



Innovation crowdsourcing

Tip: Nakisa Hanelly's Organizational Chart feature gives business leaders and HR professionals a clear view of the current state of their organization so they can identify strengths—and more importantly weaknesses. But it can also play a key role in keeping your organization connected through online communication. For crowdsourcing, emerging group communication solutions allow employees to easily submit innovative ideas for future organizational endeavors.



Data, Data, Everywhere

Today's technology-driven world provides a multitude of data points—from social media interactions, to online surveys, to HR management systems, and beyond—that can drive important decision-making. When it comes to talent management, for instance, people data can help promote gender and ethnic diversity which contributes to overall company performance

Data = culture

In a recent CIPD survey, 65% of those who said their companies had strong people data cultures also said their business performance was strong when compared with competitors. Only 32% of those in weak analytics cultures reported strong business performance

Data-Fueled Decision-Making

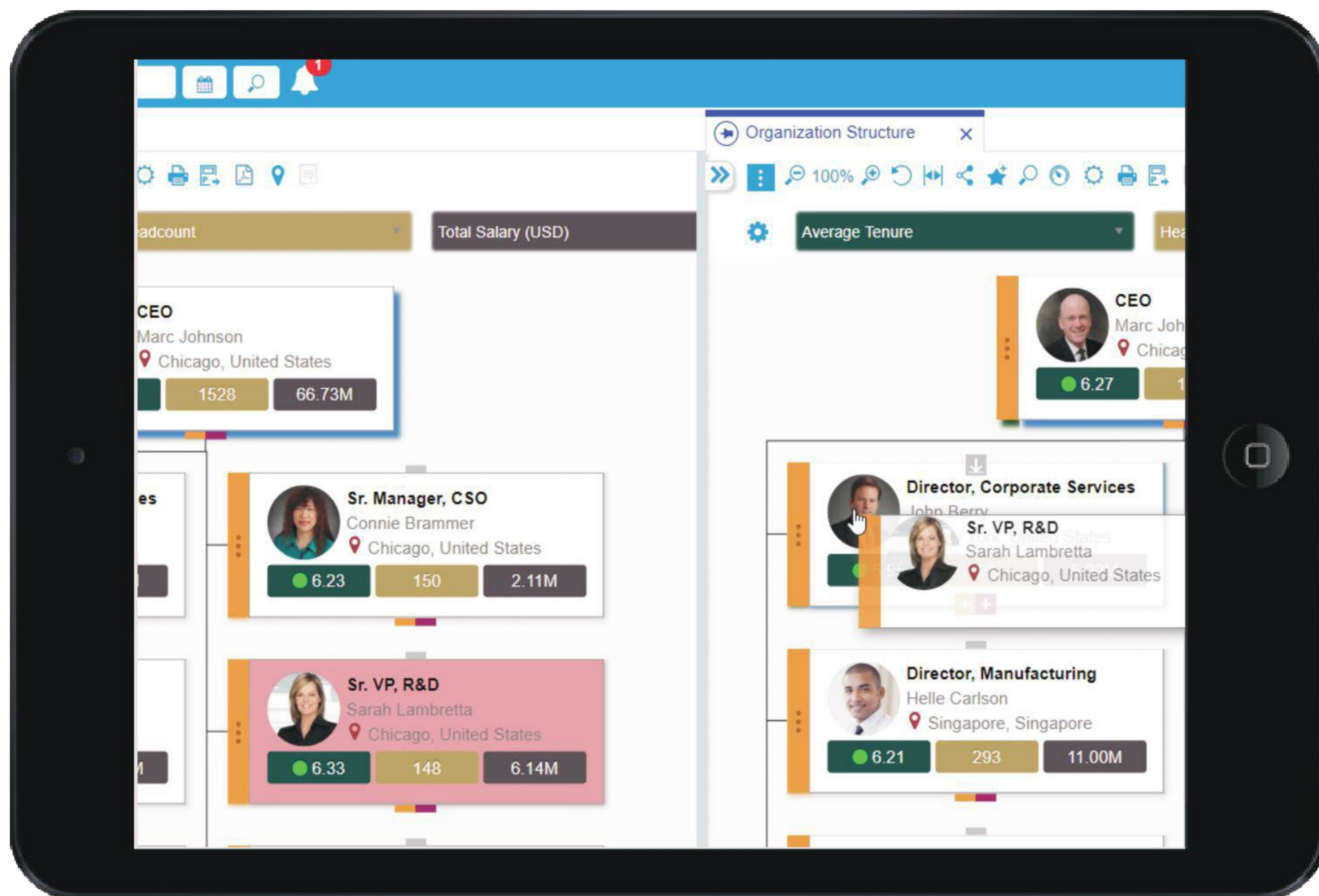


“HR teams can use data to make better HR decisions, better understand and evaluate the business impact of people, improve the leadership’s decision making in people-related matters, make HR processes and operations more efficient and effective, and improve the overall wellbeing and effectiveness of the company’s employees. All of this can have a huge impact on a company’s ability to achieve its strategic aims, and that’s what makes HR data so valuable.” – Author and consultant Bernard Moore, Forbes

Recruitment data. Absenteeism statistics. Staff satisfaction results. Social media analytics. Employee sentiment scores. There’s no shortage of HR data out there. The real question is how are you using that data to not only make good HR decisions—but to contribute to your organization’s core mission, meet critical KPI’s, and boost efficiency?

Here's just a few examples of how data can fuel important organizational decision-making:

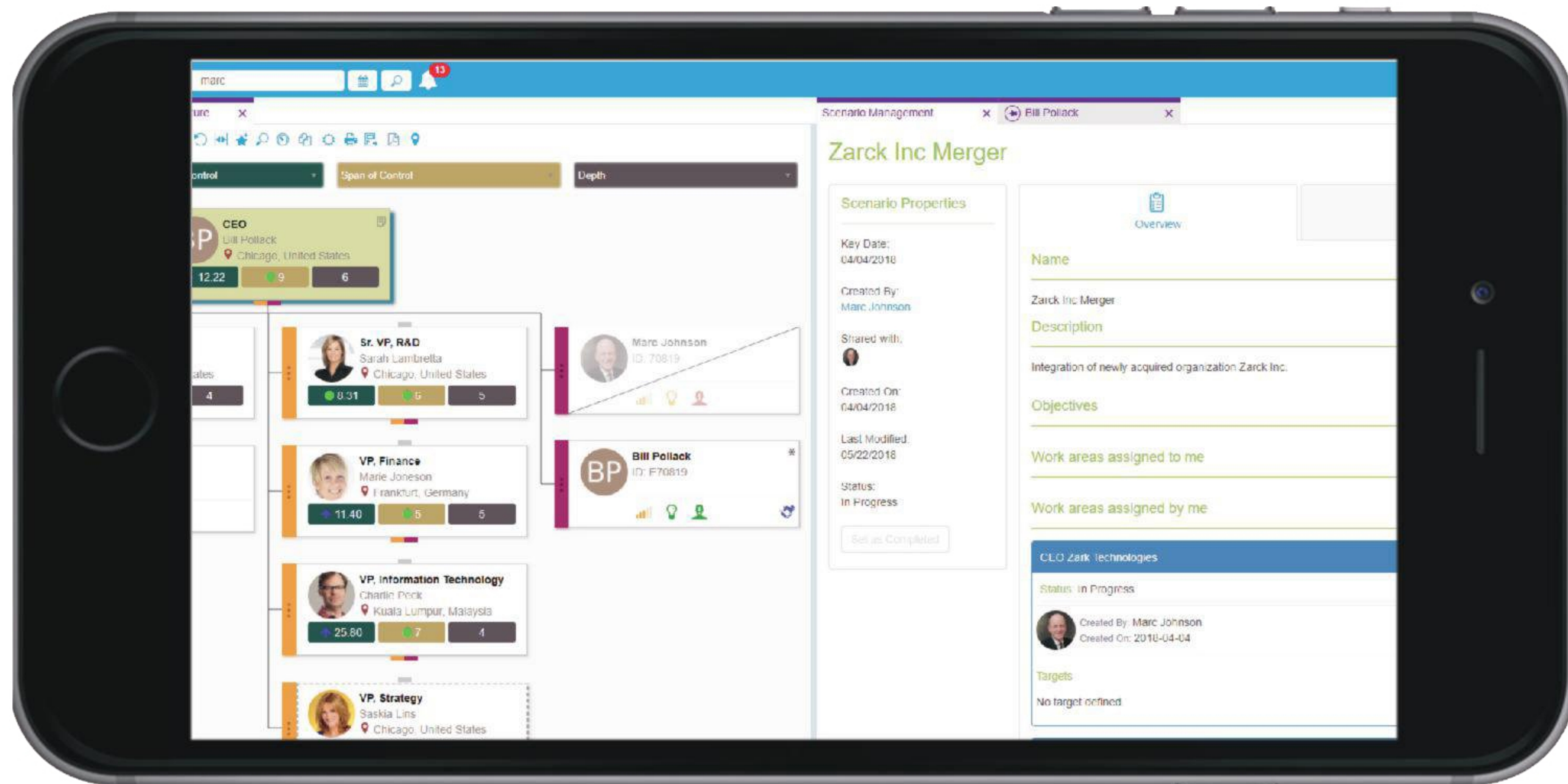
- ✓ For companies launching diversity initiatives, HR analytics software can help leaders understand where their programs are working and where they need to focus.
- ✓ For organizations focused on increased transparency, real-time reporting and dashboards can provide vital insight to stakeholders in every department.
- ✓ For teams looking to develop a quicker, more cost-effective hiring process, data insights can help pinpoint inefficiencies.



Cutting Costs

21% According to a recent study by the Hackett Group, companies who transition to digital HR solutions can reduce costs by up to 21%.

Besides the organizational and cultural impact of HR tech, it can also have a significant effect on your operating costs. Strategic consulting firm the Hackett Group recently released a study which examines organizations that it deemed to have “world-class” HR. World-class HR departments often spend more on technology, the study finds. But for companies who take in \$10 billion in revenue, achieving world-class HR status could save the organization close to \$15 million each year.



Going Global, Staying Nimble

One of the greatest values of a robust HR tech system is its ability to provide accurate and timely information to make important decisions around hiring, organization, management, or culture. This task is made all-the-more difficult when it comes to global enterprise and large-scale companies with multiple offices across the globe, varying employee work requirements and environments, and more and more sources of data.

The big question for large-scale organizations: How can we make well-informed organizational decisions while keeping up with today's speedy pace of business?

As author and futurist Jacob Morgan points out in *Inc*, today's HR is defined by speedy decision-making and agility:



“The new approach helps HR quickly design and implement new programs and ideas and stay ahead of workplace trends. Technology is changing things quickly, and HR no longer has the luxury to sit back and create perfectly formulated plans. Instead, the department must act quickly to put plans into action while they are still relevant. The result is an agile department that has to stay close to employee sentiment and trends to build an environment that reflects the current needs of the organization.”

– Jacob Morgan, author and futurist



More time for the people that matter

While this agile HR approach helps speed up core business functions, it also frees HR teams up to do their most important job: Serve the employees who count on them. Saving time on data management gives your HR team more time to prioritise the people behind the data--and help them do their best work.

Preparing for the Future

Over the last few years we've seen rapid change for HR departments—thanks mostly to technology innovations and the emergence of big data as an HR tool. But many experts believe the next decade will see even more rapid innovation. Here's just a few places where the future of HR tech is taking us:

1. The rise of artificial intelligence and automation

42% Percentage of respondents to the 2018 Deloitte Global Human Capital Trends survey who believed AI will be widely deployed in their organizations in the next 3-5 years

According to the 2018 Deloitte Global Human Capital Trends survey, AI is predicted to create over \$3 billion in business value by 2021. While automation may on the surface sound like a job killer, the Deloitte study found increasing recognition among corporate leaders that AI and automation must work in complement with humans, rather than replace them. Still, the Deloitte study found that despite recognizing the importance of AI and automation, nearly half of their respondents did not have a clear plan to cultivate employees' skills around these technologies.

For HR teams: The potential of AI is nearly endless—from improved health care management, to mood and sentiment recognition, to improved communication through chat bots, to automated candidate screenings and even interviewing capabilities.

2. Increasing complexity around people data, privacy, and security



“In the coming decade, the career trajectory of HR professionals will be determined more so than ever by the analysis of data and metrics. Although HR already uses some metrics such as turnover ratios and employee engagement levels, you can expect to see new metrics tracked and used in HR, such as the average timeframe for staff to be ready for promotion, or percentage of top candidates to be hired within the organization.”

-- Gyutae Park, head of Human Resources at Money Crashers Personal Finance

People data isn't going anywhere. Eighty-four percent of respondents to Deloitte's 2018 Global Human Capital Trends survey see people analytics as important or very important to their organization. In fact, people analytics was the second most important trend identified by the survey. But complex challenges around gathering and protecting people data is already becoming a hot-button issue. The Deloitte survey found that while 75 percent of companies understood the need for better data security, only 22 percent believed they had "excellent" safeguards to protect that data.

For HR teams: Finding a balance between using powerful people analytics to increase efficiency and improve company culture will have to be balanced with increased security and privacy protection.

3. Rapidly changing workforce and work environments

44%

of respondents to the Deloitte Global Trends survey believe that face-to-face meetings will decrease in the future, and 30 percent believe that phone and text usage will decrease.

As the nature of work changes—thanks to forces like automation and AI, and increasingly convenient communication tools—so too will the workforce itself, and even where they work. As technology makes it easier for remote working and virtual meetings, organizations will need to decide the extent to which physical office spaces are cost effective.

For HR teams: A vital piece of the new HR puzzle will be finding ways to monitor employee productivity and sentiment as teams increasingly move away from traditional work spaces.

Prepare Today for the Vision of Tomorrow

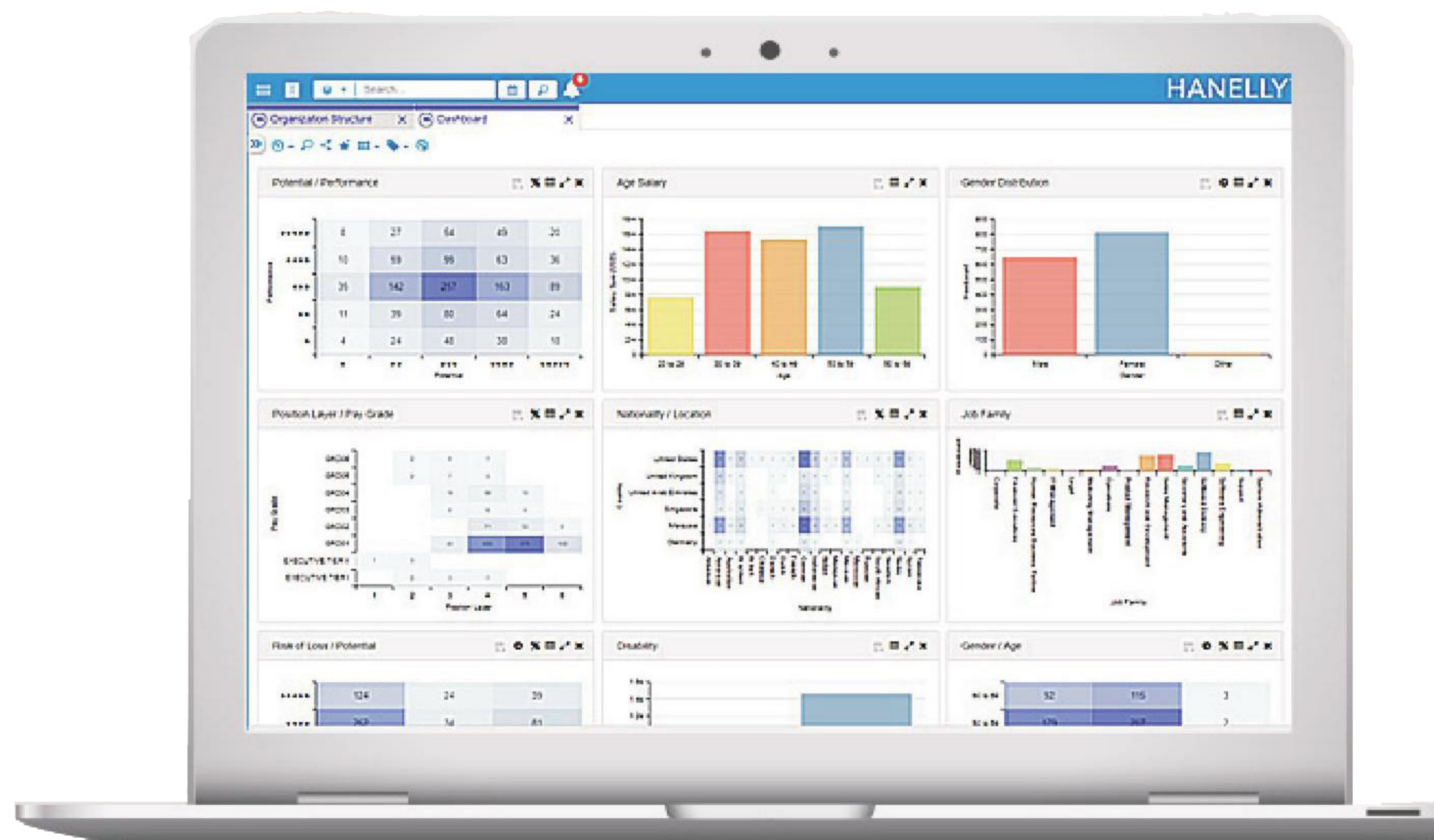
The power of data. AI and automation. People analytics. Workplace innovation. We've explored some important trends that give us insight into what HR teams will need to be prepared for in the workplace of the future. But not every trend can be predicted. The ability for HR teams to prepare for this new vision of the future will rely heavily on their ability to adopt and use HR technology. And, as the nature of business rapidly shifts thanks to technological innovation, HR teams will need to utilize technology to adapt to the latest trends and biggest challenges.

Nakisa Hanelly: A Unified, HR Platform

To effectively prepare for the future, your organization needs to ensure its HR data and management systems are centralized and unified. With Nakisa Hanelly, you can simplify organizational design and streamline HR transformation in conjunction with your current HCM.

Our single-source-of-truth platform is highly flexible, and empowers your HR team to:

- ✓ Create dashboards to share with executives
- ✓ Build visualization and storyboard templates for presentations
- ✓ Provide real-time sharing to all levels of your management so everyone is on the same page
- ✓ Implement plans and monitor metrics within one platform to measure progress around key initiatives.



About Us

A global leader in cloud business solutions for Organization Transformation and Accounting & Compliance, Nakisa delivers innovative, forward-thinking and robust human resource and financial management solutions that advance your business strategies.

Nakisa serves 800+ enterprise customers and over 4 million subscribers in 24 industries. Nakisa is proud to work with some of the world's most renowned brands

Contact Us

Please visit www.nakisa.com for more information or email info@nakisa.com to arrange a consultation with a member of our team.

Email: info@nakisa.com
Tel: +1.514.228.2000
www.nakisa.com