



# The *people function* of the *future*

## How AI and automation will transform each HR area



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## Editor's note

'Oh here we go, another story about how AI and automation will transform the world of work – nae, the very fabric of society. Yeah yeah yeah...'

This, I'm embarrassed to say, can be my reaction when yet another press release, piece of research or comment piece geared around the will-they-won't-they debate of whether the robots will eventually replace us lands in my inbox.

It's a crazy reaction, I know. The topic is, or at least should be, one of the biggest and most fascinating debates of our time. But it's a reaction I'm guessing (and hoping, for the sake of saving face here) many will have shared at least on occasion as they skim the headlines each day.

The problem is it can all seem so abstract. We know the robots are coming. But when exactly will they arrive? And what's taking them so long?

The issue, as LSE professor Leslie Wilcocks highlights in his column in this supplement (p22), is we tend to "overestimate the short-term impact of new technologies and underestimate the long-term implications".

Hype over how new tech will fundamentally transform work and jobs starts to seem a little overblown when Word still sometimes proves a task too far for your computer's processing power, and printers for no discernible reason and without any warning whatsoever suddenly pack up.

This is the conundrum that presents the *HR* magazine team when the annual technology supplement comes round. One of the most pressing issues for *HR* currently is undoubtedly the ever-quicken pace of technological change soon to



have a profound impact on work. But how to keep this fresh and bring something new to the debate?

We of course regularly explore the wider issue of AI and automation's impact on the wider workplace. And we regularly unpick the latest developments in HR tech. But both merit constant attention. Tech moves fast; there's much to keep pace with...

So I'm delighted to present you with a series of pieces which drill – in,

hopefully, helpfully granular detail – into key HR disciplines, all taking as their jumping-off point the questions: What will a future of whizzy, automated and AI-enhanced tech mean for each area of HR? What are the opportunities and what are the challenges? And what, crucially, is already happening right now, potentially in a competitor organisation's HR team near you?

Because while talk of what automation and AI means for HR can sometimes prompt a sense of déjà vu, it's a topic only increasing in importance. It's worth, I hope you'll agree, diving into in detail to find out exactly how the current tech revolution is informing talent management, recruitment, engagement, L&D...

I hope you find this a useful and inspiring read. Because – as this supplement demonstrates – the future is here. And it's critical that HR stays tuned and up to speed.

**Jenny Roper**  
Editor  
*HR* magazine

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# One giant leap for HR

HR must reshape itself around the innovations brought by digitisation in order to stay relevant and ensure the function has the right skills.

By HANNAH JORDAN

The age of automation and artificial intelligence (AI) is upon us. Almost without exception, processes and transactions of all kinds in our society are being streamlined by robots and automated technology.

This digitisation and technological development is causing many to fear for their jobs, particularly those – HR professionals included – who may have substantial parts of their responsibilities slated for automation in the future. And with frightening statistics, such as those revealed in a PwC report in 2017 putting 30% of all UK jobs at threat from AI within 15 years (and up to 50% in some sectors), who can blame them?

In reality, of course, and for HR specifically, machines aren't about to take over but rather work alongside HR teams, streamlining what are often long and convoluted processes and freeing people of mundane tasks so they can focus on, for example, the more people-orientated, emotionally intelligent side of their jobs.

But what implications do all of these changes have for current and aspiring HR professionals and the HR skillset of the future? With giants such as Unilever, IHG and AT&T, to name just a few, investing heavily in comprehensive, technology-focused 'upskilling' programmes for their employees, it would suggest that they are significant.

"People overestimate how rapidly new technology will disrupt ways of working," says CIPD head of engagement David D'Souza. "But one thing that is clear is that AI will increasingly influence almost every part of the employee life cycle and the way HR supports that."

He adds: "Anyone in HR will have their roles impacted to a degree, but

HR is also in a perfect position to start reshaping its work and its offering to add more value to an organisation."

D'Souza believes that while in the near to medium future, technology will complement rather than replace, a new wave of more cognitively intelligent technology is to come that will cause greater disruption, hone more insightful and successful businesses and will require a different type of HR professional.

"Having an outward-looking mindset and paying attention to the political and economic environment will be the hallmark of practitioners going forward. There will be a far greater need for technology awareness, more requirement for data scientists either in HR or collaborating with them in other areas, and more focus on analytics," he explains.

HR professionals of the future, D'Souza believes, need to be "bold" and become more evidence-based, outcomes-driven and principles-led in order to face what he calls a period of increasingly difficult questions around the world of work and an organisation's responsibility within that.

"We need brave HR professionals," he adds. "It's not just HR that's going to go through this significant change, and so that requires people who are prepared to step into very senior conversations about what the next five to 10 years of an organisation's existence might look like."

Financial software giant FIS for example, has set out a framework for its journey towards automation and AI, and key to that are the three core capabilities that have been identified as essential to everyone in its HR function.

**“AI will increasingly influence almost every part of the employee life cycle and the way HR supports that”**

"First, they need to be change-agents," explains Isabel Naidoo, the organisation's senior VP for talent. "It's about how they can help the business through the tremendous amount of change that is happening, but also at the same time as they themselves are being disrupted."

She adds: "The second is about coaching – to be able to guide the organisation through, leading individuals; and the third is data analysis: skilling-up the function so they are able to leverage analytics and plan for change."

The importance of the HR function being a multi-skilled role, with knowledge across divisions, is one that Siemens UK and Northern Europe HRD Toby Peyton-Jones believes is particularly relevant as we move toward an automated future.

"HR must think about the impact of digitisation on other roles, because we are going to be managing it," he says. "The typical silo career and silo thinking will become the domain of AI, but what is much harder for AI to grasp is cross-domain know-how and meta skills, so having knowledge of multiple areas gives you a skillset that a robot would find hard to move into."

Peyton-Jones stresses the need, now more than ever, to view HR within the context of a business rather than as a standalone division, and that as part of that picture, digitisation should not be considered as a single concept or area either.

"It is about the internet of things. It's about automation and machine learning. It's about robots and cobots and augmented reality. All of those provide opportunities for us but also threats, and for HR the journey is

under way and will continue very directly," he states.

Siemens is well on its way down the automation and self-service path, implementing various process-streamlining systems. But Peyton-Jones admits he believes it's not quite ready for the next "huge step" to robots, AI and AR, which he says will bring a new host of challenges, such as the move to virtual working.

Like Siemens, FIS has been working with various technology partners to implement automated systems, including analytics platforms, that can give the HR function deeper employee insights and identify areas of inefficiencies and attrition across the business.

Naidoo says the move to automation and the reshaping of the HR model has three facets. First, the

move away from clunky processes to a system that allows managers and employees to be self-sufficient. Secondly, a "game-changing" automated platform that allows employees to have real-time dialogue, enabling the business to respond in a more agile manner. And thirdly, data and analytics, which Naidoo says is producing extraordinary results in identifying pockets of weakness across the business.

Heading the organisation's 'talent centres of excellence', Naidoo has recently spearheaded a new workforce analytics function to sit alongside the centres' existing remit of talent acquisition, talent management, global learning, inclusion and diversity and employee engagement.

She explains: "As we go towards a future of automation and AI, we think a lot of it will rest on data, and so this is deliberately designed with that in mind. We have also

**“Disruption brings opportunity and there are lots of opportunities if we embrace it”**

nominated a digital lead in each of the talent functions who have responsibility for the digitisation journey, because we felt like we wanted to give it emphasis."

This level of technology awareness is exactly what will create the HR leaders of tomorrow, according to D'Souza.

"Potentially what we have here is transformational predictive analytics; the opportunities for improvement are huge and HR can reshape around how it can enhance an organisation's capability," he explains.

But he warns that for HR to fully carry out its role in the journey to automation and AI, there needs to be meaningful commitment.

"HR doesn't have a great record of inward investment. If we want to be enabled to be the ▶





best companies then we need to be well supported by a digitally aware HR team that can draw solutions from the entire market. Any organisation that refuses to pay attention to changing technology is denying itself the ability to benefit from the competitive advantage that sits in it," he says.

His view is echoed by Kavish Patel, people director at investment firm Redington. But he says that it is easier for large organisations to become early adopters because technology can be more easily tailored to their needs, whereas SMEs that don't have the data points for AI to learn from are finding it more of a struggle.

"I don't think AI has yet answered the question about predictive planning and I would like to see that happen," he states. A firm believer in the benefits of AI and automation, Patel says it provides a huge opportunity to unleash real talent within an organisation and that HR professionals have a responsibility to respond to it. "For too long we have let organisations lead us rather than us leading them, and that is really changing now," he says.

But is there a real readiness for this next digital leap? According to Tea Colaïanni, NED and chair of RemCo at Mothercare and former group HRD at Merlin Entertainments, there is reluctance to trust technology. "I call it organisational inertia," she says. "It's a very patchy landscape in terms of HR being ready to take on and lead, not just manage, the challenge that comes from AI and a digital workplace. But it's everywhere, there isn't any point in resisting. Disruption brings opportunity and there are lots of opportunities if we embrace it."

Indeed, according to Naidoo, waking up to automation is a question of survival. "Even if you can't put a full-time person in charge of this, you have to come up with an approach and look at all new initiatives through a digital lens, because if you don't start then many HR departments are going to be left behind," she says. **HR**

## Automation and AI skills in numbers

Skills businesses should develop to enhance AI's potential (according to senior HR professionals)



**36%**  
say adaptability to change



**22%**  
say creative skills  
Source: Alexander Mann Solutions



**18%**  
say IT and technical skills



**69%**  
forecast that it is very or somewhat likely that we will see humanoids in the workplace by 2030  
Source: Alexander Mann Solutions

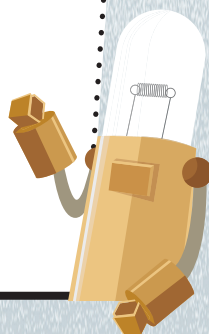
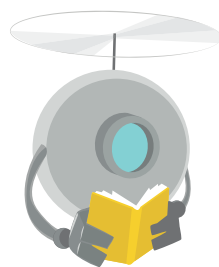
**50%**  
of HR professionals believe that process automation will have a significant impact on the HR operating model  
Source: KPMG

**61%**  
of HR professionals say talent is where they consider the greatest opportunity for AI in HR  
Source: KPMG



**23%**  
of senior HR professionals believe we are preparing the next generation of professionals for the rise of AI  
Source: Alexander Mann Solutions

**80%**  
of organisations believe HR urgently needs guidance on the fair and ethical use of people analytics  
Source: IBM



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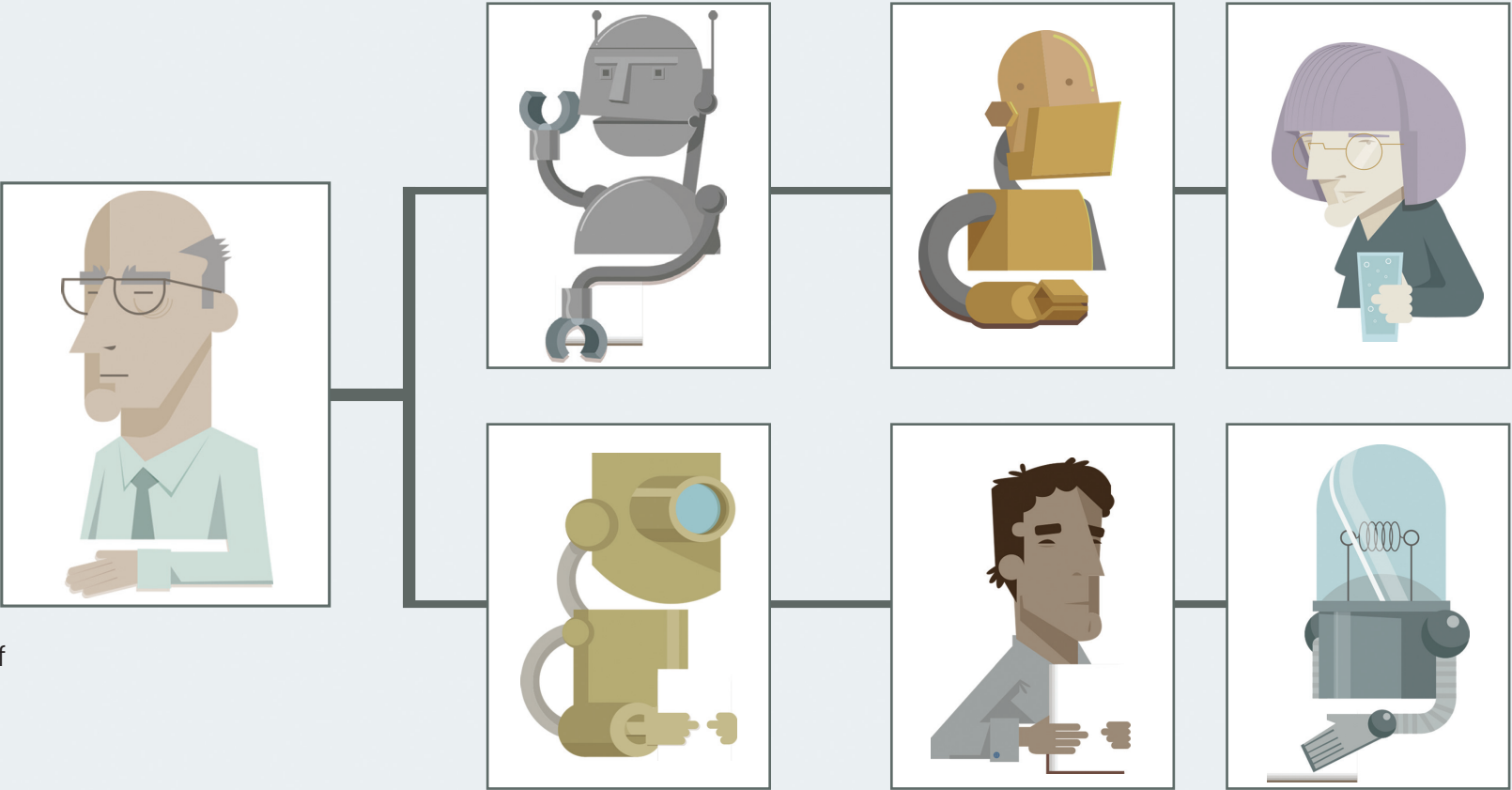
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# Chatbot's got talent?

Is talent management currently too complicated and sensitive to be taken out of HR professionals' hands and given over to automation? HANNAH PREVETT reports



## The future HR function

The talent team of the future could comprise vastly different skills than the one of today, with data analytics skills increasingly coming to the fore.

Stephen Moir, director of resources at Edinburgh City Council and former people director at the NHS, says he is looking beyond traditional HR professionals to build the HR function of the future. "I've certainly seen in a number of organisations that HR analytics, workforce modelling and forecasting activity are not undertaken by those from a traditional HR background," he comments.

The onus is on the people industry and academia to work together to ensure that we are producing HR professionals fit for tomorrow, says Home Grown Hotels and LimeWood Group's Steve Rockey. "As a profession we need to be training and getting people ready for what is going to be a slightly different world from the one I did my training in."

But HR professionals needn't worry just yet that robots will take their jobs. Their skills are still needed as robots can only do half the job, says Fujitsu's Mark Jackson: "There will be an endpoint to chatbots and virtual agents. They will help in some particular tasks, but there's a certain amount of human interaction we need. You will get the best performance out of people if you meet them on a human level and you speak to them on a regular basis."

says its data interrogation tools can reveal gender or ethnicity biases that may be occurring in the workforce. "By using AI we can reveal the sentiment of conversations occurring between male to male, male to female, female to female, etc," says Dan Simon, VP of engineering at BetterWorks.

BetterWorks is also planning to introduce a chatbot that can coach a manager in real time to improve their management skills. "We can let them know when their team does not feel motivated, is feeling confused or does not understand their career trajectory. Our bots will notify the manager when our platform detects these trends and provide actionable coaching on how to address the specific employee sentiment," explains Simon.

However, often this kind of AI technology relies on scanning workers' emails and documents and tracking social media behaviour. How this is communicated to the workforce is vital in ensuring "there is no mistrust", says Simon.

Sarah Sandbrook, head of talent consulting and initiatives at Deutsche Telekom, warns that if organisations get this wrong it can undermine the entire case for AI: "Having the capacity to use algorithms for predicting behaviour is one thing, but if you lose employee trust, goodwill and engagement, then it's a net loss."

But for the time being it seems the boldest steps being taken in AI in HR are around operational HR and recruitment (see pages 20 and 12). Automating straightforward processes can improve efficiency and free up HR resource for more complex parts of the function. But once the user case has been proven through a pilot, there is a much more compelling argument for moving on to more complicated and strategic parts of the function, such as talent management, says Rae. It's a constant learning process, he adds: "There are things that people need to learn, and I'm not convinced all of them have learned the lessons yet." **HR**

The robots are coming. In certain roles, they have already arrived. Global investment bank Goldman Sachs revealed in 2017 that it replaced 600 Wall Street equity traders with automated trading programmers, supported by 200 computer engineers. In the UK, several large grocers, including Ocado, are trialling artificial intelligence (AI) tools to help drive efficiencies in their warehouse and delivery processes, as well as to resolve customer queries.

But the march of the robots isn't limited to financial transactions or operational efficiency. Increasingly it is creeping into back-office functions, such as HR. It is a considerable opportunity for businesses: research published by KPMG in September 2017 revealed that half of HR professionals believe intelligent automation will drive significant changes for their business and that process automation will have a significant impact on the HR operating model. According to the research, the number-one focus area for intelligent automation efforts is talent management, with 61% of participants saying this is where they considered the greatest opportunity for AI in HR.

Driving down attrition rates is a focus for many HRDs, says Claudia Quinton, head of workplace transformation and consulting at IT consultancy Sopra Steria, and former HRD at Thomson Reuters. "AI and analytics can help to identify individuals who may potentially be a flight risk so that we can take action to stop that happening. Equally they help us understand more about the individuals who work for us and make sure we are always thinking about what next," she says. "That makes employees better as individuals and it keeps them sticky to the organisation so it is not losing the skills and it doesn't have that headache and hardship of having to find somebody new all the time."

Indeed, this is where Mark Jackson, EMEA lead on internal mobility and junior talent acquisition at Fujitsu, sees a huge opportunity for AI within HR. However, he says the data can be aggregated and used to predict the behaviour of groups of people, not just individuals. "AI will help us identify where there are particular trends: are there particular age groups or a gender that is leaving the organisation? You can then start to analyse what are the reasons for it and you can localise it down to a particular manager, business area or see if perhaps it's a wider issue. That's where the predictive analytics and AI can come into force."

**Skill-mapping**

AI and analytics tools may also be used to help plot an individual's path through an organisation, says Steve Rockey, people director at Home Grown Hotels and LimeWood Group. Although he is not yet using any AI tools – as a company of 750 people, he says investing in a full suite of talent management products would be like "using a sledgehammer to crack a nut" – he says AI in talent may be used to push forward the less obvious internal candidates for promotion. "An AI-enabled talent management solution would take into account some of those leftfield people who maybe you hadn't considered. By having that wider base of information, you're able to pull in all employees as opposed to those who might be front of mind," says Rockey.

The role for AI in skill-mapping hasn't escaped Shamus Rae, head of innovation and investments at KPMG. He also sits on the All-Party Parliamentary Group on Artificial Intelligence, as well as taking the lead on internal AI projects at the professional services firm. KPMG is at the proof-of-concept stage with a new AI-enabled spider diagram tool. "AI can map skills based on colleagues' ratings. Someone might say, 'if you want to know

about AI strategy, speak to Shamus', and then my approval rating goes up. Then you start building up a spider diagram of skills, capabilities and locations and you can start managing talent in a different way."

**Teething problems**

Despite the obvious benefits of AI in talent management, challenges remain. One of the biggest hurdles for companies to overcome is guaranteeing the quality of the data – is it free of unconscious bias, for example? "Because AI is so reliant on data, the risk is the data contains any unconscious bias or any corruption of thought," says Rae.

He points to the example of Beauty.AI, the first international beauty contest judged by artificial intelligence in 2016. It was supposed to use objective factors such as facial symmetry and wrinkles to identify the most attractive contestants, but the 44 winners were nearly all white-skinned; a handful were Asian and only one had dark skin. The implication was that the data fed into the AI bot was already corrupt with unconscious biases about what constitutes beauty. "The data you give it is what it learns from, and it will carry on repeating itself – including any unconscious bias," adds Rae.

Such high-profile examples of the teething problems associated with AI programs mean that HRDs are reticent about introducing it to complex parts of the HR function, such as talent management. "That's why talent management could end up being the last adopter. Ironically, it's the area that could probably benefit the most from it," comments Rockey.

There are several companies trying to tackle the thorny issue of unconscious bias in AI. San Francisco-based BetterWorks is overhauling the traditional performance review using AI and



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## Advertorial

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**Nick Southcombe, CEO of Frontier Software,** discusses the types of software functions and service offerings that should be expected of a **global HRIS and Payroll system.**

**Wherever organisations operate in multiple countries, effective leadership teams will always want a view of their entire workforce.**

At a simple level, workforce views capture and report total head count and its cost. However, as businesses embrace the notion of the global village, distributed teams and operations in multiple time zones, leadership requires a global view of talent to facilitate workforce planning.

This includes an understanding of both current competencies and skill shortfalls that may impact future strategies. A global view of recruiting, learning & development, career and succession planning within truly multinational businesses are also realities that must be embraced and addressed.

Traditionally, such information has been captured in disparate systems, usually on a country-by-country basis. When a global head office wanted a consolidated view of their total workforce, each geographical region would produce their own reports; oftentimes in different formats. At Head Office the report data would then be reconfigured and manually re-keyed into a spreadsheet or other reporting

tool in order to derive the global view. This time-consuming and error prone process often diminished the value of the data due to its lack of currency. Such 'shadow-system' reporting saw organisations applying changes to the global consolidated reports in arrears. At best the result was partially effective as the data on which decisions were based was not timely.

An emerging trend is the incidence of regional and even single global payroll teams to execute payroll for multiple countries. For centralised teams such as these, the use of dissimilar systems for different geographies is confusing, time-consuming and ineffective.

**What type of software functions and service offerings should be expected of a global HRIS and Payroll system?**

A best practice global HRIS would enable organisations to capture all HR-related data into a single database. It will offer multi-country, multi-language and multi-currency capabilities. It will have a powerful user friendly report writer. It will capture all financial data in the local currency but be able to convert and report in any currency the user desires. It will have sophisticated workflow functionality to support

global business processes. From a payroll perspective, it would be rare to find a single payroll offering that can service all required countries. Although many vendors say they can meet this requirement, they often do so by bundling disparate payroll solutions into their offering or by partnering with local payroll providers.

Technically, this can be made to work if the HRIS database has an easy to use data import function, often referred to as aggregator functionality. However, some vendors are developing a single payroll system for an increasing number of multiple countries out of a single database.

Finally, ensure you find out how a vendor of a global offering supports and services their solution. Is help desk available 24 hours a day, anywhere in the world? How do they maintain statutory compliance? Do they fly in implementation and training support, or is it local, or on-line?

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# Wired to hire

In what ways can the field of recruitment benefit from the advance of digital innovation – and what should HR do to prepare for the coming changes? SIMON CREASEY reports

In 2020 the most valuable member of your HR team isn't going to be your learning and development specialist, your head of employee relations, or your reward lead. This team member will never grumble about their workload. They will work efficiently behind the scenes performing tasks in seconds that it would take others hours to complete. That's because the most valuable member of your team in the future is going to be a machine, specifically a computer algorithm.

Over the past few years a slew of different apps and computer software programs have made significant inroads in HR departments around the globe. Many of these focus on the recruitment process, promising to help HR professionals make better decisions more swiftly.

The reason these recruitment programs have gained traction is largely down to the cost of hiring – more importantly, the cost of hiring the wrong people. Alistair Shepherd, founder of Saberr Base – an online profiling tool designed to predict how well teams will work together – came up with the idea for the product while studying at Harvard under an American academic called Noam Wasserman. Wasserman had discovered that 85% of venture-backed start-ups fail and, more interestingly, 63% of those failures could be directly attributed to their team dynamics.

“When one of the only things you can control as a start-up founder is who you hire, why were team dynamics the biggest contributing factor to failure?” asks Shepherd. “People are typically 70% of the costs of business in mature economies and

the major source of competitive advantage. However, decisions on hiring are still driven by the gut, and while gut instinct can be good, it can often be mixed with gut prejudice. Companies now have the ability to apply the same rigour to decisions about people as they do to product or financial decisions. Collecting the right kinds of data and analysing them can help make better decisions.”

Making the switch from potentially unreliable gut feelings to more informed ‘data-driven choices’ using ‘just enough’ technology gives companies “the best hire, every time you hire”, according to Rachel Chalmers, VP of marketing at Unitive, which has developed HR software that aims to eliminate bias in hiring.

“Any HR team can benefit from system-wide technologies that help them make data-driven, logical decisions at every step of the process, from start to finish,” says Chalmers. “We’re frequently called in by companies that have completed unconscious bias training and think ‘now what?’. Our hiring platform can do for hiring what Expensify does for employee expenses. Software that tactfully nudges you to do the right thing improves compliance and employee experience.”

In addition, some of these new recruitment programs eradicate functions that occupy far too much time. Take the example of graduate recruitment app Headstart. “At the moment some companies outsource the reviewing of thousands of CVs,” says Headstart co-founder Nick Shekerdemian. “Using Headstart, companies only have to review 100 CVs in ranked order of suitability, so



we’re removing some of the more mundane tasks.”

The streamlining of volume recruitment using technology makes perfect sense. However, some HR experts are concerned about the way that many companies are using these new tools. “One of the first things people misunderstand about automation is you should only use it because you have a high volume,” says Charmi Patel, associate professor of international HR management at Henley Business School. “So it works beautifully well for graduate trainee programmes, but you can’t use it at all levels of the organisational hierarchy because it only taps into certain aspects of competencies.”

It’s a view shared by Tomas Chamorro-Premuzic, professor of business psychology at University College London. He says this technology should not just be used as a vehicle for capturing as much data as possible; the trick is to think carefully about which data sets will genuinely aid the recruitment process for the organisation.

“That data can be useful or not, people can interpret it correctly or not, and then they may act on it or not,” says Chamorro-Premuzic. “So I wouldn’t blame technology or data, but if people expect data to solve their problems, they are just deluded. Most organisations have more data today than they can understand or use. The tail should not wag the dog, and it’s not about size or volume. Good data used appropriately is what we need to make HR more evidence-based.”

The best outcome will always result from a combination of technology and human judgement, feels Chamorro-Premuzic. “For example, the average computer-generated algorithm could probably outperform the average human judge when it comes to making interview decisions, so we could replace all human interviewers with digital interviews. However, the result would still not be as good as having really well-trained human experts analyse well-designed interviews with the help of computer algorithms,” he explains.

## The new recruitment software tools

### Veris Benchmark

The company has created a pre-employment screening tool that looks at the personality traits of individuals, and using a ‘white-collar criminal benchmark’ establishes who is more likely to engage in ‘irresponsible behaviour’. According to a Veris spokesperson, the system is being used globally by clients in financial services. “The data we have is quite stunning and the system is helpful in screening out candidates who may potentially compromise the company’s reputation,” says the spokesperson.

### Saberr Base

Alistair Shepherd founded Saberr after realising that a large number of start-up businesses fail because of the dynamics of the team of employees. “Saberr Base works as an online profiling tool designed to predict how well teams work together, and understand the cultural fit and relationship dynamics between people,” says Shepherd. “Predictive analytics help understand risk and opportunities in hiring while existing teams can get practical advice on how to deal with challenges and avoid conflict.”

Saberr’s Shepherd agrees that technology works best when it is used as a complementary tool rather than in isolation. “Humans are more complex than machines,” says Shepherd. “HR people work hard to understand context, emotions, conflict, values and practicalities. We’re being told that humans need to understand technology, but the rhetoric of the future will be that technology needs to understand humans. It’s not about being correct, it’s about being caring.”

That’s why one of the key challenges HR professionals face over the next few years is getting up to speed with technological changes, because if you don’t, you are potentially missing out on opportunities, according to Catalina Schveninger, group head of resourcing for Vodafone.

“It’s hard because we’re not trained to be writing code or looking at apps,” says Schveninger. “We’re trained to do psychometrics,

### Unitive

“Unitive is the only comprehensive software platform that empowers companies to use 21st century talent acquisition best practices throughout the hiring process,” says Rachel Chalmers, VP of marketing at Unitive. The system uses data such as existing job descriptions, candidate résumés and candidate feedback to guide users through the hiring process.

### Headstart

This mobile phone app developed by Nick Shekerdemian matches students with work experience, internships and graduate jobs at their dream employers. “We’re trying to move away from some of the more conventional processes where a student fills out applications to numerous companies, writing in anticipation of what they think a business is looking for rather than writing as themselves,” says Shekerdemian. “In doing so they often end up in companies that aren’t best suited for them and organisations end up hiring candidates who may not be a good fit.”

psychology and coaching, so we have to reinvent ourselves as a function to stay current, and not everyone is comfortable with that.”

She says Vodafone is experimenting with a number of recruitment tools, and she thinks the use of technology by HR teams is only going to increase.

“Technology in the past couple of years in the recruitment space has changed tremendously,” says Schveninger. “I started in this role three and a half years ago and half the technology I’m using today didn’t exist back then.

“Although the HR function came relatively late to the table, because a lot of this technology was already being used for marketing, sales and retail, we are playing catch-up and are going quite fast in the right direction.”

So consider yourself warned: the day when the best member of your recruitment team is a machine and not a human is approaching fast. **HR**



# Made to measure

To stand a chance of improving staff engagement, technology needs a meaningful purpose – and must not make the organisation less human. By ROB GRAY

“**The challenge with exploring what tech can do for us in the workplace is that it’s often a case of a solution in search of a problem**”

**D**oes a machine care how you feel? How happy, motivated and productive you are at work? Whether you are healthy and making wise provisions for your financial future? Of course it doesn’t. Not in the true sense of the word ‘care’, anyway.

But like the code and digital information contained within the machine, that is immaterial. What counts (processors aside) is that the evolution of automation and AI offers HR teams new opportunities and is beginning to change the engagement function.

It’s highly likely that we will see more tracking and sentiment analysis software deployed in workplaces over the coming years. But although there are obvious benefits in terms of aggregating more data, the assumption that this will lead to higher performance needs to be tested.

“We know that the feeling of observation impacts people’s behaviour and I’ve yet to see someone type more effectively with someone looking over their shoulder,” says CIPD head of engagement David D’Souza. “We need to understand how different ways of tracking someone’s mood might impact their mood. We can measure an awful lot already and most competent managers know when someone is committed and feeling good about their role.”

Having more information, D’Souza argues, doesn’t necessarily mean we can act more effectively. Organisations measuring engagement have been attempting to improve it for years, yet there is little data to show a nationwide uplift in engagement or productivity.

Richard MacKinnon, insight director at the Future Work Centre, agrees there is not much research to demonstrate that

engagement, however defined, has any meaningful impact on the organisation’s bottom line. So while organisations could theoretically use AI and workplace technology to measure what is going on and make automatic changes to the environment, this investment may well not stand up to any meaningful scrutiny of ROI.

“The challenge with starting an exploration of what technology can do for us in the workplace is that it’s often a case of a solution in search of a problem,” says MacKinnon. “We already have any number of technology platforms available to us and they are deployed because they exist, not because we’ve been able to scientifically demonstrate they address a problem. In many cases, organisations introduce technology without clearly defining and measuring the problem they believe it will address.

“So we may be able to easily measure employees’ moods while they sit at their desk. We may also be able to measure their body temperature and muscle tension. My question would be, ‘so what?’ Until organisations get to grips with the existing problems they face, I’d argue that chasing these kinds of technology is a bit of a red herring.”

Jo Dodds, a productivity and employee engagement specialist who runs the Counterpoint Matters consultancy, expects to see automation being implemented that would help to create more time for leaders and managers to engage more personally, on an individual basis, with their people. In her view, the more leaders are freed up to work with their greatest asset, the better.

The idea of tracking employee mood and engagement in real time perhaps

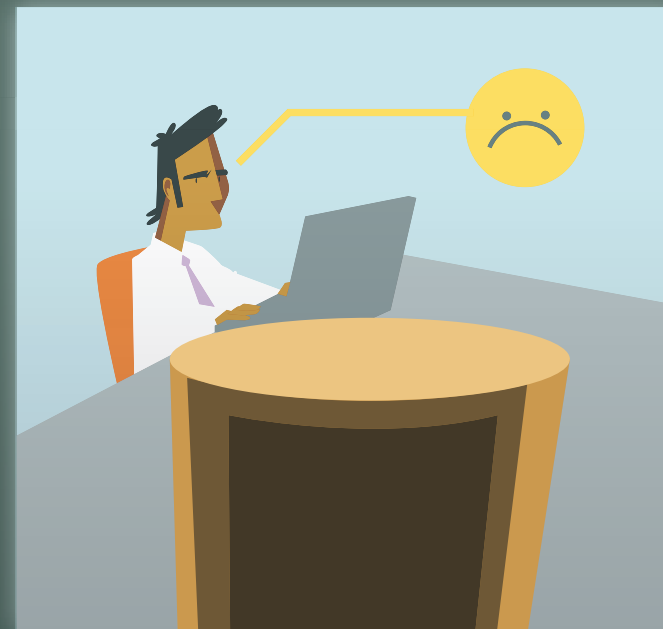
sounds more useful than tracking them with the lag that is currently typically the case. But the danger here, Dodds point out, is that it smacks of trying to remove those one-to-one interactions between managers and employees that are vital for creating engagement through treating people as individuals and regular coaching.

“As more technology takes over the more mundane HR tasks, that paves the way for more innovative ways of supporting the organisation in engaging their people,” says Dodds. “This in turn will shine a spotlight on the skills that HR people need to have, much more around innovation, developing emotional intelligence and intelligence in leaders, strategy, etc. All the stuff they have been saying for years they want to do more of.”

Unfortunately, however, many organisations still believe that a digital tool will be the panacea for all ills. Dodds can’t see that misconception going away for some time. And while that attitude prevails, she thinks organisations will struggle to work out how to benefit from the opportunities technology offers. Too many ‘failed implementations’ may undermine the PR around the opportunity for digital transformation.

But Goutham Kurra, co-founder and chief product officer of organisational development platform Glint, offers a stout defence of the application of AI in this field. Platforms like Glint, he says, are able to automatically find connections between organisational factors and business and people outcomes at a micro level. For example, what drives engagement and retention among salespeople will likely be different from what drives this for engineers. These factors may also differ by region and culture.

“AI can identify and recommend focus areas for any given population or cross-population so that action can be both targeted and relevant,” asserts Kurra. “Not



only does this save HR teams and managers countless hours of manual analysis, it moves leaders and managers toward action in a more timely and relevant way.”

The way Kurra sees it, technologically driven changes will dramatically improve how HR professionals do their jobs, moving them to a more people-centred role by freeing them of much of the administrative and analytical tasks associated with measuring and improving engagement and performance. By increasing the amount and accuracy of data available to an organisation about how it is functioning, HR professionals can swiftly take the pulse of an entire organisation or a single team and then make informed decisions about how to improve things such as company culture, diversity and inclusion, productivity and business outcomes.

But doesn’t going down the path of tracking people’s moods and productivity raise ethical issues? Isn’t it all a bit ‘Big Brother is watching you’?

Kurra dismisses this concern. “The overall benefit to an organisation doesn’t come from closely monitoring one individual’s mood or engagement. The benefit comes from looking at aggregated data sets to pinpoint trends and identify predictors of performance and engagement at both the organisation-wide and team levels.”

With this information at their fingertips, managers and leaders can then make informed, timely decisions about the environment and create a “virtuous cycle of feedback” that makes all employees’ lives better. It is important, stresses Kurra, to ensure that systems are designed with confidentiality and accountability in mind.

Yet the ethical dimension gives many pause for thought.

“When I speak to people analytics leaders, who are typically the HR professionals most likely to

be investigating the use of new data sources such as wearables, ethics is typically cited as their biggest challenge,” says David Green, global director, people analytics solutions at IBM Watson Talent. “Indeed, recent research by Insight222 found that 81% of people analytics projects are jeopardised by ethics and/or privacy concerns. This tallies with our own research at IBM, which found that 80% of organisations believe HR urgently needs guidance on the fair and ethical use of people analytics.

“Whether tracking people’s mood or heart rate is considered creepy or cool will in part depend on the individual employee concerned. For example, if an employer were tracking the heart rate of employees who work in particularly stressful roles or situations, and then actively intervened at times of high stress, that could be considered beneficial to the employees in question. However, if the employer used this data to decide whom to promote and whom to fire, that would clearly be unethical.”

So companies need to be careful when adopting these technologies. Green advises that those responsible should work closely with their chief privacy officers, have clear governance and ensure that they create, publish and keep up to date a code of conduct. “More importantly, companies need to be open and transparent with their employees. If they can’t explain why they want to implement these technologies and what the benefits are to the business and employees then they probably shouldn’t do it. It probably also makes sense to test any new technology with a small volunteer pilot group before considering a wider roll-out.”

The one point on which everyone seems to agree however, is that the best use of technology in this field is to make engagement more human. **HR**



# Machine learning

L&D is one area where the benefits of AI and automation are most immediately demonstrated. SUZY BASHFORD pinpoints what the positives could be

There will be a time – soon – when your youngest employees will look incredulous when they hear about the ‘olden days’ in L&D, when people had to sign up for a training course and then wait three months to attend.

Much like we are now used to on-demand TV today, on-the-go training, consumed in convenient bite-sized chunks delivered through intelligent, automated technology, will be the norm.

Similarly, like big ‘event’ TV when we still gather around our screens (think live sport or the final of *Strictly Come Dancing*) there will be occasions when off-site training for an extended period is still hugely valued.

“There is absolutely a moment for face-to-face training and coaching,” says Tom Marsden, CEO at Coachbot-creator Saberr. “If anyone thinks that is going, they are mistaken.”

But these human interventions will be much rarer. They will also be supercharged by data gathered by intelligent learning platforms to ensure these interactions are much more effective than they have traditionally been.

“A lot of companies currently waste a lot of money on face-to-face training with people not showing up,” says Todd Tauber, VP, product marketing at Degreed. “AI could predict what factors lead to people not showing up by analysing things like time of year, time of day or travel schedules. The more you know, the smarter you can be about planning and removing waste. I don’t know anyone doing that today, but it will happen.”

Some forward-thinking organisations are already embracing AI. For others in L&D, this talk of AI and algorithms arouses a feeling of fear and intimidation, especially for non-techies. But what intelligent automation does is actually quite simple when you break it down, says Tauber.

“A lot of people throw around the word ‘algorithm’ as if it’s something really mysterious,” he says. “And certainly, there is a lot of science and art to doing them well, but essentially it just means a set of rules, or a process to follow, to get a defined outcome. And learning has that.”

Broadly, all L&D objectives fit into the ‘algorithm’ that an employee will be served up some content which will make them more efficient and effective in their job, in a way that aligns with business priorities and individuals’ needs. “So AI technology has a powerful role to play in improving this equation and offers a useful way of breaking down the learning challenge,” Tauber explains.

There are a few key areas where L&D fits this algorithm particularly well:

## Personalisation

The game-changer when it comes to L&D and AI is personalisation. Intelligent systems, which learn about the individual as they go, are able to drill the data to serve up better, more relevant information, in a timely way, to learners that makes them genuinely (and immediately) more effective.

As Amy Dicks, senior manager of employee training at Canadian wireless company Bell Mobility, explains, this is only going to become more crucial in a world that will increasingly be characterised by an overwhelming amount of data and increasing time constraints.

“Employees are bombarded with so much information from so many different sources, it can be incredibly difficult for them to eliminate the noise and remember what is most important,” she comments. “Adaptive learning gives us a chance to truly focus the way we influence their behaviour, not to mention the appeal that such a flexible

## What will AI mean for HR and L&D professionals’ skills?

The advent of intelligent learning offers HR and L&D professionals an opportunity to step up and prove the significant impact that learning can have on the bottom line. AI makes this much easier because of the ability to correlate learning with results.

But to make the most of this chance, professionals need to ensure they also have the right skills. As Axonify’s Carol Leaman says: “L&D professionals have the ability to use technology and data to truly partner with the business, understand the business outcomes that need to be achieved, create the right content that works to change behaviour, and analyse the data to make sure that’s happening. Their skills are much more technology- and data-focused than ever.”

Professionals will also need to brush up their consultative and networking skills as colleagues look to them for answers, as well as ensuring they have an agile mindset, a good understanding of the

entire business and an eye on where their particular market is going (so they can anticipate where learning will need to be focused). Yes, the machines can do some of this, but their effectiveness depends on the talent of the human operator inputting the data. Saberr’s Tom Marsden says: “Tech can gather data and crunch through it. What you do with that data becomes a judgement call.”

L&D’s ability to support individuals in their personal career aspirations will be a key determinant of retaining top talent. Software firm Blackline, which uses Degreed’s platform, has already received positive feedback for tailoring learning. “With a self-directed approach to learning, each individual can grow at their own pace and focus on the skills that they need,” Blackline’s Ruth Richmond says. “This, in turn, also allows L&D to focus on honing critical skills of the business in a more deliberate and meaningful way.”

approach to knowledge management has for modern learners.”

With all this new information constantly hitting the market, one of the major differences in this next-generation type of L&D is that it doesn’t just focus on what employees need to know now. It also focuses on what they are likely to need to know in the future.

When individuals log on to Degreed’s system, for example, they are greeted with a fully personalised set of recommendations based on their job, career history and stipulated preferences. However, what the machine is starting to do is analyse the individual’s behaviour – their interests, what content they access and recommend and their social networking, for instance – so it can anticipate what information will add most value. This type of behavioural analysis is still relatively new, but it is starting to accelerate and is set to be one of the biggest growth areas.

“So we might, for example, anticipate what potential career path individuals might pursue in the organisation based on this information,” explains Tauber. “What we’re working on, and it’s still early days, is figuring out how the system can adapt and evolve as an employee’s situation changes, as their needs change and as their skills grow. The challenge is no longer to train people to do the jobs they were hired for, but also to get them ready for whatever is coming next.”

Degreed has built a data set that connects individuals’ jobs and interests to intelligence from the wider job market, such as the specific skills associated with different roles. Based on this metadata, the machine can then ascertain which content is relevant for building which skills, informing highly personalised development plans.

## Scaling success across a company

AI’s ability to spot patterns makes it much easier for L&D professionals to replicate pockets of excellence across an entire organisation. This is particularly valuable for organisations such as Logitech that have a lot of remote workers who do not take part in much face-to-face interaction with colleagues.

Coachbot enables this computer and mobile accessories firm to pinpoint where teams are excelling in performance and analyse their approach, then break it down into clear steps, so that these can be adopted by other teams.

Logitech’s senior director of learning Jessica Amortegui explains that she hired Coachbot because of its ability to offer a solution that works for teams “which are mostly global and co-located”. She adds: “We’re working to deliver a scalable solution that delivers the desired results: simple actions and habits that our teams can undertake, in a self-managed way, to become more high-performing”.

## Retention of information

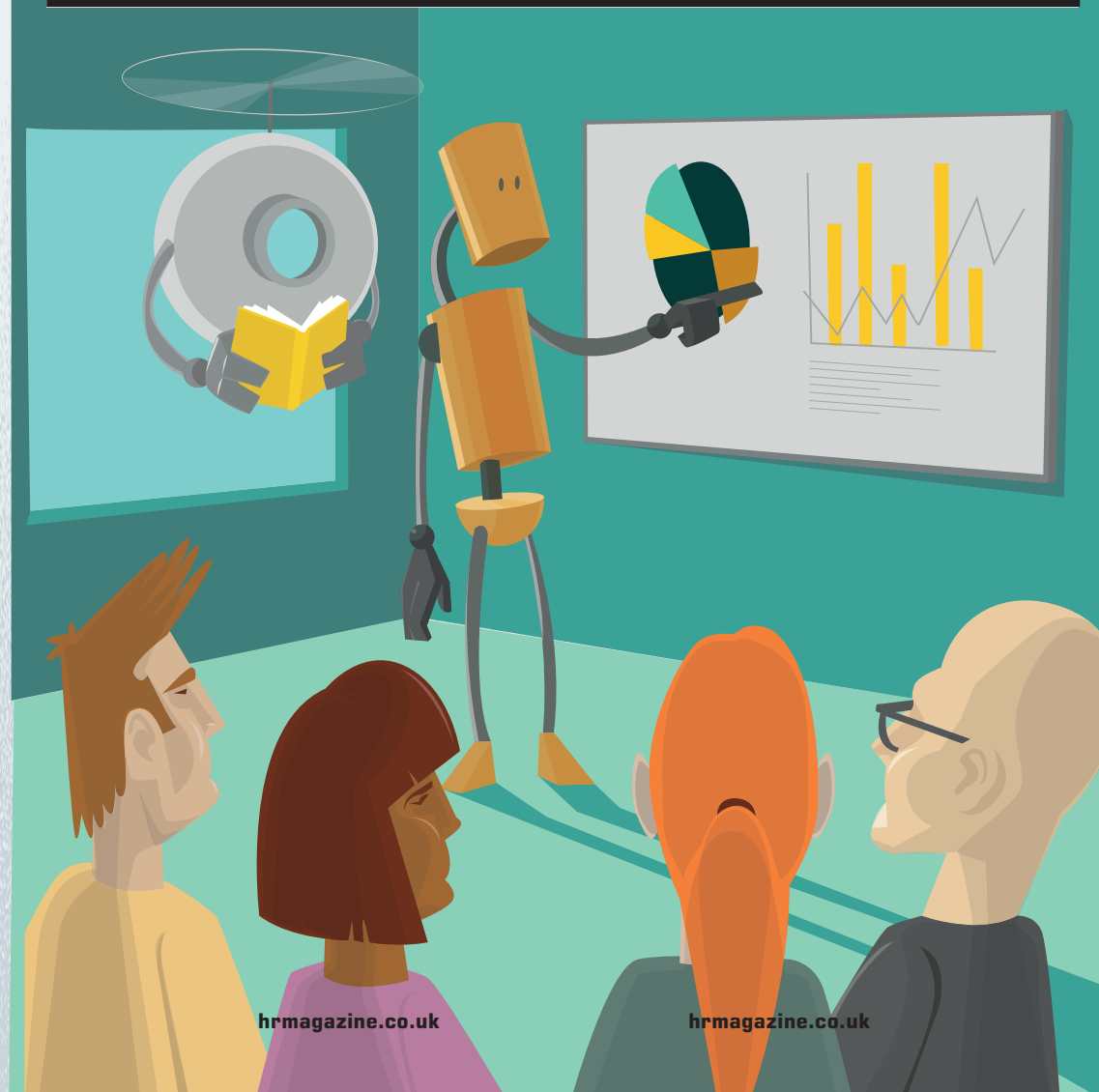
Just as one-size-fits-all programmes won’t cut it in this new world of AI-fuelled learning, neither will a quick, hand-scrawled delegate satisfaction survey post-training-course. AI has huge potential to assess and boost the effectiveness of any training or development by measuring accurately how much information employees have genuinely retained.

Axonify has been working with neuroscientists such as Alice Kim (a postdoctoral researcher whose field of study is cognitive science as it applies to learning) to ensure that the platform optimises learning.

In line with neuroscience findings, Axonify uses three core cognitive techniques to deliver learning and check how much information participants have actually taken in. These are spaced repetition (questions are spaced at different time intervals depending on whether answers are right or wrong); retrieval practice (the system asks the same questions repeatedly to drive long-term memory); and confidence-based assessment (participants rate their own confidence level). This results in a highly targeted, personalised and adaptive approach.

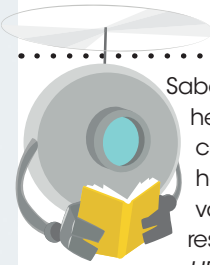
“By having them ‘retrieve’ the answer from their own memory, versus just telling them many things in a long training session, you maximise the learner’s ability to remember what you need them to,” says Carol Leaman, CEO at Axonify. “You can get learners to remember key information long term more than 90% of the time. This contrasts with a typical learning event where most people will only remember 5-10% of what they learned 30 days earlier and completely forget the rest.”

Given these huge benefits, AI-based L&D appears to be a no-brainer. But, before you go shouting from the rooftops to “bring on the robots!”, there are a few caveats. One of the most important, as with other areas of the HR function, is that it is not a ‘man vs machine’ scenario; it’s ‘man *and* machine’.





## Coaching AI: Human vs bot



Saberr is on a mission to revolutionise teams and help them perform better through its digital coach 'Coachbot'. The bot collates data which has been inputted to its system from a wide variety of experts, from academics to authors, researchers and leading coaches.

HR magazine decided to trial Coachbot. The first contact is five minutes of 'on boarding' questions, which are displayed like text messages on a screen. It's basically a standard survey but made livelier and more fun due to the visuals (monster-like, humorous cartoon avatars) and a few lighter-hearted questions such as 'what would you be doing if money weren't an issue?', which then becomes part of your personal avatar profile.

The second part takes 15-20 minutes and asks you potentially sensitive 'deeper questions about teamwork', such as 'how openly does your team discuss sensitive issues or elephants in the room?' and 'what is the mentality of your team?', which you rate on a scale of, usually, 1-5.

You can leave comments, attributed or anonymous, on each question but these do not lead to a 'conversation' with the bot. After answering these 30 questions, the bot identified that 'inclusiveness' might be an issue to tackle and gave me a tip on doing this. The next stage would be finding out how your team responded to

the same questions and working through relevant exercises.

Where bots excel is their ability to instantly spot patterns, consult their data to suggest a relevant exercise/solution, and consistently contacting participants to ensure they stick with the coaching programme through regular 'nudges'.

The experience is not like interacting with a human but then, as Saberr's Tom Marsden says, it's not intended to at this stage. Coachbot's aim is to facilitate and optimise interaction between the team and with a human coach.

"We're not dealing with natural responses yet," he says. "That is definitely what we are headed towards, but you need to start with something people trust until you're ready for natural language processing to answer open-ended questions. It's not far off, maybe 18-24 months."

Rather than bots replacing human coaching, they will, Marsden argues, boost face-to-face coaching: "A tiny percentage of teams are supported by a coach. Very few even know what coaching is so there is huge potential for increasing the marketplace for team coaching. Coachbot

being the introduction."

Looking to the future, Marsden predicts it will always be "a balance" between AI and humans, with the human role evolving to "become more powerful with data".

Suzy Bashford



Without the engagement of the human, even the most whizzy, cutting-edge AI system cannot be truly effective. Success relies on humans being seduced and excited by the machines, so they will want to come back for more. As Leaman says: "It's important when going towards this future of automated, intelligent learning systems that we don't forget the human in the process; it's crucial that we engage them in learning so they participate continuously. If they're not participating, they're not learning."

By using game mechanics such as leaderboards and competitions, Axonify has found that people are much more likely to embrace programs consistently. For instance, US decor store client At Home boasts an impressive 99% voluntary participation rate among store associates, who log on a few times a week. It attributes this to gamification.

Secondly, it's important not to ditch the human touch completely. Humans are emotional creatures and robots are not (yet) able to 'read' them in the way a person can. Yes, this is a huge area of focus for technologists, but

the reality of sentient robots is a long way off. For now, certainly, humans are crucial in some spheres of learning, particularly highly charged, controversial, complex topics, or ones that require a level of intimacy or sensitivity. For instance, certain discussions around diversity, gender equality, work/life balance, under-performance or bias lend themselves to empathic facilitation.

In these scenarios, machines can help managers in the run-up to these conversations, Neville Samuelli, CTO at talent development platform Pathgather, explains. "One thing we're particularly excited about is using AI to help employees and managers make better career decisions and enable better mentorship conversations. We still believe that person-to-person mentorship is incredibly valuable, so anything we can do to automate some of the 'work' involved in maintaining those connections can have a huge impact on people's lives and careers."

According to Samuelli, as more and more of the economy is made up of knowledge workers, supporting individuals in their

careers will become "the only lasting competitive advantage", thereby elevating the importance of the L&D professional.

And while some are intimidated by talk of AI and algorithms, those who are already embracing automation couldn't be more up for the challenge. Take Ruth Richmond, organisational development director at Blackline, which uses Degreed. "We believe this type of learning will open up a whole new world for HR and L&D," she says. "It will allow us more flexibility to focus on strategic approaches to growing the business and our employees. There really is no limitation on where the future of AI will go. It's an exciting future with boundless opportunities."

Logitech's Amortegui is similarly upbeat: "AI is going to be huge, and we are just starting." In fact, she is all for robots coming in and taking over (some) of her job so she can focus on more strategic work. "Having an AI facilitator walking through an actual team meeting and operating more like a Siri would be amazing," she says. "If a bot, like Coachbot, could serve in that capacity it would be a dream come true." **HR**

# The Future of Work - How to Make Customer Experience Your Advantage in 2018

## What Do Your Customers Think About You?

Where do you think you rank among your customers' 2018 goals and priorities? Do they see your products and services as key to their success or a sunk cost? Are they happy to recommend your brand, or will they tell anyone who asks to avoid doing business with you?

For many companies, the answer lies in between, where the experience you are offering is so undifferentiated that it can hardly be recalled. No business should be comforted by the idea of flying under the radar. By 2020, the customer experience will become a more important brand differentiator than price or even the product you are offering, according to the report Customers 2020 by Walker Information.

## Who Are Your Brand Ambassadors?

Who are the people who work directly, in-person, with your customers? They are your most important brand ambassadors. Frequently, those ambassadors are the members of your mobile workforce who you selected and sent to your customer's door.

Whether that door opens to a worksite, home, or office, customers expect the person who knocks to deliver what was promised and to work around the customer's needs and preferences. As consumers, we are now much more willing to complain. The number of customers escalating their complaint has increased substantially. According to the Institute of Customer Service, over 5 million customers made a complaint in the first six months of 2017. Customers know they have their choice of vendors and will not hesitate to make a change if their needs are not met. In the Utilities sector alone, one in three consumers say that customer service would prompt them to switch suppliers (Institute of Customer Service). This shift in customer preferences has made your mobile workforce one of the most critical assets in your business.

Businesses that serve customers through contractors are particularly challenged by this new dynamic. The further removed those brand ambassadors are from your core business, the harder it is to keep your customers happy.

More businesses will feel this challenge in the future. Analyst firm Gartner predicts that by 2020, more than 40% of field service work will be performed by technicians who are not employees of the organization that owns the customer relationship.

## Do Your Employees Like Working for You?

Developments in technology and the workforce mean you are competing more fiercely to retain top talent, even for unskilled labor. The impact of 'Brexit' will affect this too, especially for contingent workers (and the "gig" economy). Not only are you

competing with local employers, but with jobs that can be done remotely for a business on the other side of the planet.

With a workforce that is more mobile than ever and customers that expect businesses to cater to their needs, the imperative to enable your mobile workforce to easily deliver an exceptional customer experience has never been greater than it will be in 2018.

## Improve Your Customer Experience with Mobile Workforce Management

Pain your operations and field teams experience around scheduling, dispatch and delivering service will be felt by the customer in the form of missed or late appointments, incomplete or inefficient service, and cumbersome paperwork.

Mobile workforce management solves all these problems by giving your operations and field teams a unified system to manage workforce availability, skills, locations, and preferences against the needs and priorities of your business and customers. Simply put, a mobile workforce management solution helps enterprises intelligently schedule, dispatch and track resources in the field.

## What You Get from Mobile Workforce Management

Teams across your business benefit from a unified, intelligent mobile workforce management system:

- For operations and schedulers, mobile workforce management simplifies matching the needs of complex jobs, worker skills, and customer preferences to create optimal service schedules. Skedulo customers, for example, have seen on average a 48% reduction in time to schedule as well as a 21% increase in resource utilization per day.
- Teams in the field benefit from a mobile app that gives them easy access to their schedules, routes and customer information. Having a tool like this in hand makes delivering a first-class customer experience easier for your mobile workers. On average, Skedulo customers have seen travel time reduced by 14% and customer satisfaction increase by 8% after going live with our platform.
- The back office—including payroll, invoicing and HR—get the data it needs fast when a mobile workforce management system is integrated into your CRM or system of record. One of Skedulo's largest customers, security firm Area Wide Protective (AWP), reports that their invoice correction rate decreased by 41% all while delivering invoices to customers 64% faster.

As you can see, businesses that invest in a mobile workforce management solution win with faster, easier scheduling, reduced costs in the

field, improved productivity, and happier customers and employees.

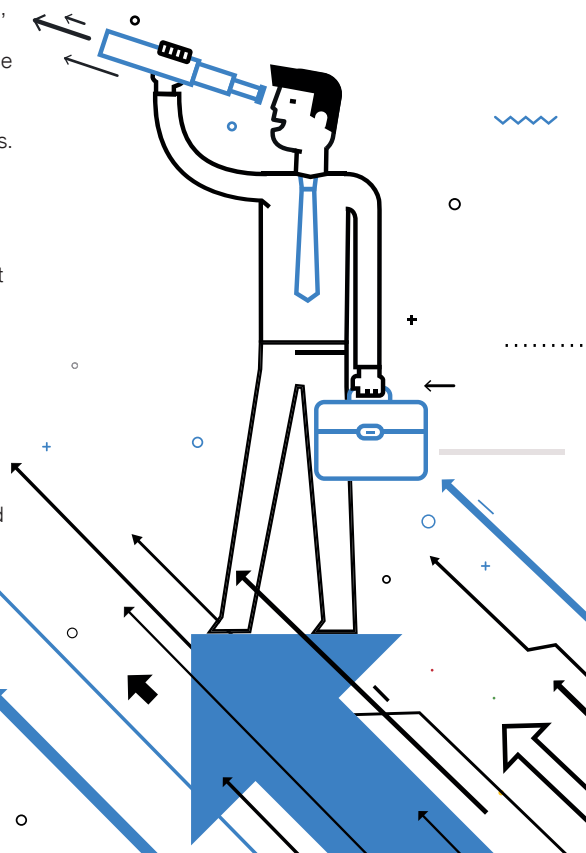
## Wow Your Customers in 2018

As your business plans its investments for 2018 and beyond, consider how a mobile workforce management solution can help you solve problems around operational efficiency, mobile worker performance and retention, and most importantly, customer satisfaction.

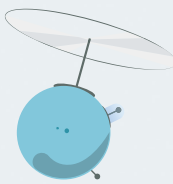
Mobile workforce management solutions like Skedulo are designed to tackle this new reality of demanding customers and mobile work. Our platform was designed with flexibility in mind to accommodate all types of mobile workforce scenarios, including the ones that haven't been dreamed up yet. It is our belief that mobile work will continue to evolve and create new opportunities, and we want to make them work flawlessly.



Intelligent Mobile  
Workforce Management







# Added value

Helping managers be better managers; carrying out the more mundane HR tasks... what's not to love? SCOTT BEAGRIE investigates

It has always been simpler for HR professionals to sell the business case for automation in the transactional side of the function. As well as cost savings, a major benefit has been the time freed up to add more value. Indeed, the process of collecting and managing employee information has been revolutionised by direct input self-service HR systems and liberated HR from its administrative chains.

Meanwhile, integration with payroll, pensions and benefits technology has drastically reduced the margin for error and increased accuracy of information at a crucial time for organisations. Major developments such as Real Time Information for PAYE, pensions auto-enrolment and Universal Credit have all brought with them challenges for HR.

Luckily HR tech designed to ease the more operational elements of the function's workload still has much up its sleeve, feel many. "We're still at the tip of the iceberg in terms of the technologies' capabilities," says Mito Mackin, director, innovation and product strategy at technology provider NGA Human Resources. "AI is undoubtedly being used to drive more efficiencies in areas like employee support, but this will increase exponentially in the future."

She cites one example as improving employee experience through smart tools that can

automatically execute simple tasks, such as timesheets, expenses, booking holidays, and trigger all the relevant workflows and internal processes. AI can also be used extremely effectively in labour forecasting around time and attendance. "For example, it can help companies plan for and predict surges in footfall especially in the retail sector based on patterns," explains Mackin. "Such solutions can also manage resource allocation for complex rosters, ensuring maximum efficiency."

Meanwhile, SD Worx is using AI to add value to "process-heavy" tasks. As an example, one of the global payroll and HR service provider's largest clients captures absence information in a third-party system which then emails the details to SD Worx's managed payroll team for processing. SD Worx has developed AI that can monitor these emails, automatically input them into the SD Worx absence system and process the correct payment to the employee.

"Of course, a traditional import tool would have done a similar job but would not have had the same outcome," explains Melissa Goddard, chief product officer at SD Worx. "Data would not have been put through the same rigour, validation and application of absence rules that happen when AI mirrors the actions an end-user would take if they were keying directly into the system. Automation of this process alone has saved over four FTE [hours worked by full-time employees] per month."

The application of AI to analyse data will be one of the most powerful tools in HR's armoury in the future, though. HR and payroll have always sat on some of the most valuable data an organisation holds but it hasn't always been easy to extract maximum value from it. "AI helps us analyse all of the data which it [HR] and other systems are processing," says Jon Ingham, HR consultant and founder of Strategic Dynamics Consultancy Services. "This can help improve HR/people strategy and the design of our management activities as well as our transactional processes. So, for example, once we understand what employees are asking about and the type of responses they need, we can start to provide better signposting within the relevant process or system."

It is still early days for many HR teams though. And as Ingham stresses, realising the full potential of AI in operational HR requires "good basic IT systems and quality data.

And many HR teams are still, appropriately, focusing on these other areas first."

HR is also likely to witness the rise of the chatbot in the near future. It is already being put to use in areas such as sales and customer service as well as in the recruitment function. Typically, they could be used to respond to HR enquiries and related issues over the internet. Goddard reckons employees can be constantly connected to HR through their mobile devices and communicate on a wide range of topics from simple process queries to legislation questions. She adds that chatbots have far more potential than answering questions.

"Layered in with some of the other available AI technology and machine-based learning, they can be used to perform analysis, recommend process changes and predict outcomes based on direct staff interactions," she says, forecasting that if combined with other technologies such as personal assistants, we are not too far off from "a talking HR system". She adds: "Imagine asking Alexa to book a holiday, provide the latest headcount ahead of an important meeting, swap a shift with a colleague or even predict what you will be paid if you work additional hours this week."

Ingham agrees that chatbots and software robots will certainly become a fixture in transactional HR service centres, and as well as take on a lot of the rule-based, repetitive workload, will be able to make "smart decisions" as part of this processing.

Analytics tools that help to remove human bias in decision-making and predict flight risk (when an employee might be about to leave) may be less relevant to pure HR administration at the moment but ultimately will blur the lines between the transactional and more strategic sides of the role.

Mackin adds she would like to see such technologies evolve from being more than just transactional to become a driver in making a workplace better for its employees. "With the ability to gather and mine the right data sets, AI should equip companies with the information that helps put in the right, motivating HR policies fully catered to the culture of the company," he says. "This should then be fully catered to the employee profile, their risk/reward appetite, and other personal preferences.

"We should also see AI helping managers [to] become, simply, better managers. They will have the right information about their current project, the team's current state and possible areas of risk. This is only the beginning of a very fascinating chapter for HR." **HR**



**Employee Relations (ER) cases are complex – tracking, recording and monitoring cases from initial referral to HR through to the final steps takes time, and a lot of data to manage and track. In a paper-based office, processes such as these are convoluted and time-consuming. This is where it is most important to use a software system, which includes AI and automation functionality, to increase efficiency of the HR team and case management.**

It's difficult to avoid the hype surrounding automation and Artificial Intelligence (AI). On one side you have the dreamers that believe both will revolutionise the work place and society, on the other you have the decriers shouting loudly that it will put lower skilled employees out of work. The reality is somewhere in between however; automation provides the opportunity to provide better compliance, improved efficiency and visibility, and reduced costs.

HR is a perfect area to take advantage of these new technologies. If you could implement a digital system that can reduce the amount of time employees remain on sick leave, reduce the costs of Employee Relations cases, and even proactively identify trends that can reduce further ER cases from occurring - whilst also freeing up HR administrator's time - you could drastically improve your business's HR function.

Now, more than ever, it is vital for HR teams to be as efficient as possible – with the fees for Employment Tribunals now scrapped, businesses can't afford any mistakes in managing ER cases. Policies and procedures need to be followed correctly and in a timely fashion.

The benefits of automation begin on the transactional administrative tasks such as assigning cases to teams. Cases automatically adhere to HR policy – there are no missed deadlines or human error. Case reminders set against tasks help HR personnel understand which cases are truly priorities so that they can be escalated and responded to more swiftly. Automation can also help to simplify and increase productivity in day-to-day jobs. For example, checking and managing information such as sick days or holiday pay can be completed with a quick, intelligent search. This way of doing things completely removes the need to trawl through files or to send requests to corresponding employee managers. And this isn't just great for the HR department – when the information is readily accessible to all of the people who might need it, the workflow is greatly simplified.

However, automation's benefits extend far

# THE WORKPLACE REVOLUTION: AUTOMATION IS TRANSFORMING HR

Andy Shettle, Chief Product Officer – ER Tracker, Selenity



## Advertorial

beyond just the administrative. It closes existing ER cases quicker and proactively prevents future cases from ever happening. It can uncover hidden or unknown trends in cases by identifying problematic departments, managers, or employees and enables HR teams to put preventative measures in place beforehand.

It is this level of analytics that make Selenity's ER Tracker so advanced.

### The right tools

ER Tracker from Selenity is HR case management software designed with the three stress points of a typical employment conflict or conduct issue in mind: the HR team or person performing line management, the employee, and the employer. It supports HR case management all the way through the process; giving greater compliance, visibility and efficiency on case types, such as: grievance, disciplinary, long term sick leave, or employment tribunal.

As well as ensuring procedures are correctly followed every time, providing compliant and consistent case outcomes, it resolve cases quicker and reduces case costs. Also offering proactive analysis, it helps to prevent cases by identifying trends and patterns.

A large percentage of ER Tracker's features include automation and ensure efficiency across the HR function, including: alerts and reminders, real-time monitoring, auto-populated templates and centralised task management.

### The proof is in the pudding

ER Tracker has enabled BrightHouse to centralise its employee relations HR function, simplify case reporting and support its employee relations strategy with the identification of case trends.

Louise Levy, Employee Relations Manager, BrightHouse explains, "ER Tracker gives us a really good way of reporting and a 'reason for being' as a department. The software has been designed to bring control back to the employee relations personnel and it has rapidly sped up the task of updating and reporting employee relations cases on a weekly basis from four hours to under 30 minutes.

"Employee relations cases are changing all the time. Previously, the centralised Excel spreadsheet would only allow one person to update a case on the system at a time. It was impossible to measure timelines or any trends in case types. ER Tracker is much more user friendly and gives the ER team the freedom to easily share case information and provide a better continuity of service."

It is easy to see why HR automation can greatly improve the efficiency of HR departments as well as the entire company. Decreasing error rates and increasing efficiency can help businesses to improve overall productivity and to manage and retain quality staff. HR automation means better HR management.

Discover case management today at: [www.selenity.com/er-tracker](http://www.selenity.com/er-tracker)



# The *human touch* will always have a place in work



Generally people overestimate the short-term impact of new technologies and underestimate the long-term implications. Technologists, moreover, tend to believe too unswervingly in the perfectibility of technology and the value of technical solutions. However, just because work can be automated doesn't necessarily mean that it should or will be.

It is important to separate the issues related to job numbers and skill types, the scary figures on numbers of job losses being just one scenario among many possible. Moreover, most studies project unreliable data into a future set of circumstances they cannot possibly know. The most probable scenario for the next 20 to 50 years is that it is not so much a question of entire jobs being lost, but parts of these jobs that will be automated. Many of them may be restructured to take advantage of what can be automated and how these automated tasks fit with human strengths.

At this point, it is important to factor in the jobs that will be created as a result of automation: new technical jobs, restructured jobs at a higher level in terms of skills, and new jobs as productivity and economic growth feed off the gains from more automation. Over the next 10 years we foresee that for every 20 jobs lost through digitisation, another 13 will be created.

It is important to stress that there are some serious qualifiers to the idea that human jobs and skills are going to be replaced. A major one is that of ageing populations. There are also serious skills shortages in certain sectors of the 20 biggest major economies. There is the issue of how these countries making up over 80% of the world's GDP can maintain present, let alone projected larger, economic growth rates. Such concerns lend support to the argument that automation could help.

Our own analysis at LSE suggests that until now studies have neglected the dramatic increase in work to be done as a result of the exponential data explosion.

The volume of audit, regulation and bureaucracy will continue to rise over the next 20 to 50 years, so we will need much more automation just to cope with new inroads in technology. In

addition, many studies also underestimate the unintended consequences of new technologies, and the need for social control and regulation that arises when they are applied on a large scale; think how roads have become highly regulated and policed.

So has industry reached a tipping point in terms of machines at the service of humans, or vice versa? In reality, we are far off such a tipping point. There is a serious over-belief in the perfectibility of technology and how quickly and massively automation technologies can be institutionalised. Past studies show that technologies can take from eight to 28 years to become fully deployed.

Machines are able to do some discrete tasks incredibly well, but are unlikely to ever have the composite skills that humans bring. People's skills are a combination of hard but also soft – empathy, social interaction, delegation, leadership, experience, creativity, care and service, teaming and multi-tasking, for example. So far, research points to the fact that all processes in businesses still need human intervention. The typical balance is 80% machine, 20% human. The most likely scenario is that technology will always need human intervention to make it work satisfactorily and human oversight and control for practical, ethical and safety reasons.

In the past, people have not predicted technological progress well. Historically we have seen dramatic shifts as a result of new technologies, but these have taken many decades. All in all, people and organisations still shape the future and the technologies they design. It is therefore essential for them to portray several scenarios about the future, and constantly revise those scenarios against the evidence as it comes in. **HR**

**Leslie Willcocks is professor of technology work and globalisation and teaches on the CEMS programme at LSE**

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