Brave New World of HR

Insights regarding the influence of artificial intelligence and automation on the practice of HR and the profession's future.
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Machine learning, natural language processing, organizational network analysis—terms that were once foreign to most HR professionals are quickly becoming commonplace. The rapid evolution of artificial intelligence and automation is driving the continued development of technology, solutions and tools that will forever change the way we live and the way we work.

Within the realm of business, our current wave of disruption weighs heavily on the minds of executives. According to Mercer, 73% of today’s executives anticipate that they will need to lead during a time of “significant industry disruption in the next three years.” Talent will be required to effectively navigate the turbulent road ahead, which means that executives must focus their attention on a range of human capital risks, from positions that remain open too long and poor employee engagement to a lack of both diversity and the leadership required to compete.¹

Similarly, PwC reports that the ability to recruit workers with “the key skills they need to succeed in the digital world continues to keep CEOs awake at night.” Approximately eight in 10 CEOs identify hiring as a top challenge and not simply when it comes to technical fluency. CEOs also express concern that employees lack the soft skills that must complement technical aptitude in order to “succeed in the digital world.”²

Anxiety about the future of work is certainly not limited to business leaders. Employees express concern, too, about the rapid changes that are taking place, often wondering if they’ll be able to adapt to the new demands of work or, in many instances, if the robots are coming for their jobs.

Their concerns are not unwarranted. According to the World Economic Forum’s research and analysis, “Nearly 50% of companies expect that automation will lead to some reduction in their full-time workforce by 2022 based on the job profiles of their employee base today.” They also anticipate that machines will take over more and more task work, increasing from 29% of task hours in 2018 to 42% in 2022. The result is that more than half—54% of employees—are expected to “require significant re- and upskilling” by 2022.³

Against this backdrop, it comes as no surprise that HR practitioners report high levels of job stress. The results of Human Resource Executive’s 2019 survey of HR leaders finds that 29% of respondents experienced a dramatic increase in their level of job stress over the prior 18 months, while another 44.3% report that their job stress increased somewhat during the same time period. Further, more than half (51%) do not feel their HR department is “staffed appropriately to handle its workload.”⁴

More troubling is the apparent discord between C-suite executives concerned with talent and the teams charged with helping to overcome talent challenges.
A 2019 research report produced by TLNT.com reveals that business leaders rarely consult with talent acquisition. More specifically:

“Only 1 in 4 companies state that business leaders communicate with TA before making important decisions.”

Navigating the Next Decade of Change

Given the complex landscape HR must navigate, GR8 People sought to better understand the challenges and opportunities that exist as we begin a new decade—one that follows several years of rapid and unprecedented technological change, including the infusion of AI and automation into nearly every aspect of talent acquisition and management.

To do so, we conducted an analysis of secondary research reports and supplemented this research by gathering the perspectives of current HR practitioners through an online panel survey. Additional insights were gleaned during a roundtable discussion with graduate students pursuing an advanced degree in human resources management at a major Philadelphia university.

This white paper summarizes our findings as they relate to the most significant changes that will continue to reshape the HR profession as we know it across key areas of exploration: the current state of AI and automation in HR, the potential of these technologies to improve talent outcomes, AI and automation implementation barriers, transparency and ethics, and perceptions regarding the future of HR as a career choice.
SECTION ONE
Current Status of AI and Automation in HR
In order to understand the current status of AI and automation as applied across HR, it’s helpful to begin by looking at how today’s practitioners spend their time as day-to-day tasks and initiatives directly influence technology investment priorities.

According to *Human Resource Executive*, HR leaders spend a significant portion of their time on recruiting, which one would expect given the current labor market and increased competition for in-demand skills and experience. In fact, 44.7% of respondents indicate that they spend most of their time on recruiting, more so than any other function, although employee relations, benefits, talent management and leadership development represent other areas where significant time is spent.

As such, it follows that a large share of HR’s investment in technology—and specifically AI—is dedicated to recruiting, engaging and retaining talent.

**Time Spent = Tech Focus**

**HR’s Top Five Investments in AI**

- Chatbots to improve employee self-service: 41%
- AI to recommend employees at risk of leaving: 40%
- AI to recommend job openings and career paths: 39%
- AI as part of the performance management process: 38%
- AI to customize compensation or improve pay benchmarking: 38%

Similarly, industry analyst Josh Bersin notes in a 2019 assessment of the AI landscape developed for the Society for Human Resource Management:

> “Recruiting is the most well-developed area of AI in HR, for several reasons. The vast size of the recruiting funnel—from job ad impressions, careers site visits, applications and hires—offers a wealth of data that AI-powered tools can learn from. Additionally, the recent talent shortage in a strong economy means that companies are paying closer attention to candidate experience and investing more in recruiting tools to improve it. Finally, shortening employee tenure has driven companies to seek out ways to make smarter hiring choices that ensure quality hires while eliminating hidden biases.”
Aptitude Research’s Current State of AI summary also notes that 28% of organizations cited “assessment technology” as a top area of technology replacement for 2019—only candidate relationship management software was cited more often by respondents.7

Input gathered through GR8 People’s online HR panel survey mirrors the findings above as well. Among the 60% of HR and talent acquisition leaders we heard from who have applied AI and automation to talent management practices, many noted an emphasis on recruiting.

**Top Applications of AI and/or Automation for Talent Management**

- Video interviewing/screening
- HR/people analytics
- Onboarding/new hire training
- Resume matching/scoring/ranking
- Learning management systems and self-scheduling technology (tie)

Source: GR8 People Online HR Panel Responses, November 2019

Those anticipating upcoming implementations of AI or automation for talent management within the next 12 months identified similar applications as those noted above, along with workforce intelligence activities centered around forecasting and planning.

**Maturity of AI and Automation in HR**

The HR leaders GR8 People received input from who have implemented AI and/or automation characterize their efforts as being at the earlier stages of adoption as opposed to full maturity. Those who have completed an implementation are far more likely to have done so as a test case or pilot program. Fewer than 10% of these professionals report that not only have they implemented AI and/or automation broadly across talent management practices, but they also possess clear, measured results demonstrating success.

The majority appear to be somewhere in the middle in terms of the adoption of AI and/or automation. They are planning an implementation but have yet to begin reviewing vendors or to select the vendor best able to deliver the AI-driven solution they are seeking.

Likewise, Aptitude Research finds that the level of maturity regarding the use of AI for talent acquisition is often the result of a limited understanding of the technology. In fact, slightly fewer than four in 10 respondents feel they have the clear understanding needed to use AI effectively, while only four percent of organizations report using it “in every stage of talent acquisition.”
**Current State of AI**

- We have a clear understanding of AI: 38%
- We have the necessary data from AI solutions: 24%
- We are increasing our AI investment: 23%
- We use third-party AI solutions: 18%
- We are concerned AI will replace the role of the recruiter: 11%

Source: Aptitude Research, 2019 Talent Acquisition: Early Findings

**Staffing to Support AI and Automation**

Finally, we looked at how organizations are adjusting—or plan to adjust—the staffing of the HR function in response to AI and automation needs.

Few of the practitioners who shared their perspectives with GR8 People reported having made changes to their staffing in order to implement (past or anticipated) AI-driven solutions. Roughly two-thirds indicated that their staffing had not changed at all and that they had no plans to do so in the next 12 months.

Those who indicated that their organizations had already added headcount to address needs that were the result of AI and automation often pointed to the addition of data scientists or IT specialists, a finding that echoes the Sierra-Cedar 2018-2019 HR Systems Survey report. Sierra-Cedar analysts note that, among enterprise organizations, “HR Data Analytics” was the most common HR role that they planned to add to their teams.\(^8\)

When asked which HR disciplines are most in need of additional staff, 26.6% of respondents to *Human Resource Executive*’s 2019 survey also indicated the need for additional staff in HR metrics/analytics, a tie for fourth place alongside talent management.
SECTION TWO

The Potential of AI and Automation in HR
It’s a Big (Data) World

Regardless of an organization’s level of maturity as related to the implementation of AI across the HR function, there’s consistent agreement that data is poised to play a major role in the future of talent acquisition and management, especially as large data sets are typically required for AI that relies upon machine learning to refine results.

When GR8 People asked HR leaders to identify the applications of AI and automation that hold the greatest promise for improving talent management outcomes, HR/people analytics was selected most often, followed closely by resume matching/scoring/ranking, employee engagement software and onboarding/new hire training.

In The Current and Future State of AI in HR, a briefing based on research conducted by HR.com, 82% of respondents selected analytics/metrics as the area of HR that AI offers the greatest potential to improve in the next five years. This selection outpaced all other top responses, including the second-most common selection, “training and development” at 55%.

While executives continue to debate how best to integrate AI, GR8 People is interested in uncovering how the next generation of HR professionals perceives the role of AI in HR. We hosted a roundtable discussion with human resources management graduate students and sought their opinions on various topics, including the areas of HR they feel will be most impacted by AI and automation.

These future HR leaders were also quick to identify HR/people analytics as among the areas of HR with the greatest potential for career growth, however, several noted that while the discipline relies on the analysis of vast sets of data, it still needs to circle back to benefitting the individual worker. As one participant summed it up:

*I'm most interested in making sure that we [use analytics to] identify how to help everyone work to their full potential.*

The Impact of AI and Automation on the Candidate Experience

Of course, one of the biggest areas of focus in terms of using AI and automation in order to improve outcomes is the candidate experience. In large part, this is because even after years of acknowledging its importance in competing effectively for top talent, the candidate experience remains mired in challenges and disappointment.

One of the most striking findings to appear in the Talent Board’s latest candidate experience research report is that, even with candidates supposedly in the driver’s seat, the proliferation of poor candidate experiences has resulted in a “40% increase in candidate resentment since 2016.”
It's no secret that poor communication throughout all phases of the candidate experience is one of the biggest drivers of rising candidate resentment. As the Talent Board writes, “According to our 2019 survey results, 64% of candidates received no feedback after being rejected during the screening and interviewing phase.”

Lengthy hiring processes are also adding to candidate frustrations, and many candidates report dropping out of a search simply because it took too long. Part of the issue may be due to organizations continuing to rely on communication channels that no longer support an expedited hiring process.

Consider the results of a talent acquisition study completed by Aptitude Research. Participants were asked to identify the last tool they used to communicate with a candidate. Nearly three-quarters (72%) indicated communicating via email or phone.

And, yet, one of the least-used communication channels—bots—was selected as having the greatest ability to improve time to fill. Bots also tied with text as the channel most able to improve quality of hire when used as the primary method of candidate communication.

Further, Aptitude Research’s study reveals that both bots and text have a greater impact than email when it comes to improving several hiring metrics, from time to fill and quality of hire to conversion rates and first-year retention. Moreover, those using text or bots were twice as likely to fill positions within two weeks—an outcome that is essential to delivering a better candidate experience.

At the same time, organizations seeking to implement bots in order to improve the candidate experience need to proceed carefully and work to ensure that the application is as effective as possible.
There are different levels of chatbots and when I see one, I want it to be sophisticated. Don't make me edit my questions to try to get to the answer. If I see a chatbot on a site and it doesn't work well, then it's a waste of money and resources. And, I'm also judging the company for having a bad bot.

The graduate students we spoke with offered other insights as to how AI and automation can be used to improve the candidate experience. For most, it came down to applications of AI that personalize the information and job-related content that they receive from employers.

Overwhelmingly, students cite serving up recommended job postings that match their skills and interests when they visit a company’s career website or talent community portal as having the most potential to improve the experience of candidates during the hiring process. Students also favor personalized content, recommended job postings emailed directly to them, automated candidate communications and status updates, and chatbots to answer candidate questions.

Using AI and Automation to Improve the Candidate Experience: Top Methods

1. Recommended job postings matching the candidate’s skills and interests when visiting a company career site or talent community
2. Career-related content personalized to the candidate's skills and interest when visiting a company career site or talent community
3. Recommended job postings matching the candidate’s skills and interests emailed directly from the hiring company
4. Automated candidate communications and status updates throughout the hiring process
5. Chatbots to answer basic questions about the culture, benefits, hiring process, etc.

Using AI to Mitigate Hiring Bias

Of all the HR topics that are top of mind these days, AI's potential to mitigate hiring bias has garnered the greatest attention. HR leaders, current employees and job seekers are all concerned about making sure hiring processes, as well as talent management practices, are as fair as possible. While there is widespread agreement that both unconscious human bias and existing hiring tools have resulted in anything but a level playing field for today's candidates, many remain understandably concerned that AI-driven solutions—particularly those that automate functions associated with candidate sourcing and assessment—aren't improving the situation.¹¹

This is one of the main reasons that many employers remain on the sidelines, waiting to see how others fare with the technology before wading into these waters themselves.
Aptitude Research reports that only 12% of organizations say they use AI-based solutions to reduce bias, even though 90% admit that ridding their hiring process of bias is a concern.

Further complicating the issue is the growing awareness among job seekers that companies are using this technology—often without their knowledge—across many phases of the hiring process. Most remain wary, too, even as the companies developing the technology claim that their algorithms are effective in ignoring data points commonly associated with unconscious human bias, everything from the candidate’s name to where she earned her degree.

However, most U.S. adults remain dubious of the technology. Pew Research Center uncovered a broad range of concerns that Americans have about the use of computer algorithms, especially as they pertain to bias. When asked if computer programs will always reflect human bias, 58% of U.S. adults believe that the programs will always reflect the bias of designers. Even younger respondents—those between the ages of 18 and 29—are nearly split in their perceptions.¹²

Significant concerns emerge when respondents were asked about the fairness of algorithms used to evaluate job candidates, particularly when those evaluations were completed through automated video analysis.

### Perceptions of Algorithmic Decision-making Applications

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<th>% of U.S. adults who think the following types of computer programs would be not fair, not very fair, somewhat fair or very fair to those being evaluated</th>
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<tr>
<td>Automated resume screening of job applicants</td>
</tr>
<tr>
<td>Automated video analysis of job interviews</td>
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![Not fair at all](image1) ![Not very fair](image2) ![Somewhat fair](image3) ![Very fair](image4)

Source: Pew Research Center, Survey of U.S. Adults, May 29-June 18, 2018

More recently, a November 2019 survey of U.S. adults age 18 and older—this one conducted by The Harris Poll on behalf of staffing services firm Yoh—finds that “88% of Americans say they would feel uncomfortable with an artificial intelligence (AI) job interview app being used during the candidate screening process.” Younger workers, those ages 18 to 24, are just as likely (89%) to express similar concerns.

GR8 People also detected unease with these applications during our graduate student roundtable discussions. More specifically, we asked participants if, as candidates, they minded the use of AI to assess their qualifications via both resumes and video interviews. Slightly more than half indicated that they do mind these practices, though most report a willingness to apply anyway especially if they really wanted the job.
Several students were quick to point out that the use of these technologies could unintentionally hold back individuals who might otherwise be successful candidates, particularly the use of automated video analysis.

What is certain about the use of AI in hiring is that the practice is headed for larger—and more public—debate, as privacy advocates and government entities have begun to scrutinize these technologies.

If AI is being applied at a lower level, like skills matching, that's okay. But a video interview assessment seems to have more potential for a negative outcome.

I think it gets tricky when AI is trying to interpret facial expressions. I think that's where it crosses the line—when it gets too deep into the actual human and what they did or didn’t do. Then I don’t agree with it.

These web-based interview assessments, I get that they’re used to try to judge where someone fits best. And it makes sense when you think about how many applicants a company is trying to sort through. But long term, people will want to know if there’s bias. I'm not yet sure where I land on it. My views are mixed.

As one participant commented:

What if someone is nervous and really uncomfortable during a video interview? I think this is an example of the wrong way to implement AI.
Late last year, the Electronic Privacy Information Center (EPIC) filed an official complaint with the Federal Trade Commission, requesting that the FTC investigate a prominent technology vendor that provides face-scanning technology used to assess job candidates. EPIC, a group with a reputation for challenging tech giants such as Facebook and Google, claims that these AI-driven systems are a “wide-scale threat to American workers,” noting that among the dangers are the inability for candidates to challenge their assessments as well as a lack of validation that the technology even works as described.

Meanwhile, an investigation into potential unlawful exclusion of certain groups of workers during the recruiting process by the Equal Employment Opportunity Commission is underway. And, as of Jan. 1, 2020, the Illinois Artificial Intelligence Video Interview Act is now effective. It requires companies hiring workers in Illinois to inform job applicants not only that AI will be used during the video interview but specifically how it will be used. The legislation outlines additional obligations for employers regarding consent, limitations on AI use and data destruction.¹³

The high level of risk associated with using AI in the hiring process is exactly why researchers from Penn State University and Columbia University are focusing their efforts on developing a tool that can be used to detect discrimination—often the most challenging aspect associated with preventing unfair treatment of individuals in the first place—and the causes of the discrimination, noting that a problem can’t be corrected unless there’s awareness of it.
Acknowledging that it’s bad data that often drives poor AI results, as opposed to the algorithms themselves, the research team believes that taking a step back and using AI to uncover what’s driving discrimination in the first place will ultimately lead to the better design and development of the technologies that can effectively reduce bias across all phases of the hiring process.
SECTION THREE
Implementation Barriers
Chief among the barriers are, not surprisingly, budget constraints. And these budget constraints aren’t simply limited to technology purchases. Industry analysts have long noted that while most businesses have benefitted from the positive economic conditions experienced over the past several years, HR remains pressured to do more with less in general.

Budget constraints are even reported by those working within HR functions that are supposedly an organizational priority, such as talent acquisition. For example, TLNT.com notes that 36% of organizations say that their TA budget has either been cut or unchanged over the last four years. Those lucky enough to receive an increase—a mere 17% of respondents—received increases that still fell short of the pace of inflation.

The result is that finding money to purchase new technologies and tools becomes an even bigger hurdle when existing expenses and investments are already under the microscope. When GR8 People asked HR leaders who had completed the implementation of AI-driven technology what their biggest challenges were, the second-most common response was “lack of budget to purchase the technology.” More than half cited this as among their biggest challenges.
Knowledge Gaps

Perhaps even more critical than budget constraints, a limited understanding of how AI and automation technology works within HR remains a significant factor in the ability for organizations to realize success with these applications.

Our online panel survey respondents indicate that a lack of understanding of the technology both within HR and among leadership was a factor in their implementation challenges. The lack of understanding within HR was actually cited nearly twice as often as the lack of understanding among leadership. However, respondents also cited an inability to convince business leaders of the value that these technologies will deliver to the organization as another challenge—one clearly related to leadership’s lack of understanding.

HR.com came to similar conclusions when conducting research into the state of AI in HR. According to their report, only 14% of HR professionals agreed strongly with the statement, “I consider myself knowledgeable about the topic of using artificial intelligence technology for the purposes of enhancing the human resources function.” Another 29% agreed with the statement, but only moderately. Forward-thinking HR teams will need to help bring leaders across their organizations up to speed on how AI-driven technologies and automation work when applied to the HR function, as well as the business value realized when they are used effectively.

Data Constraints

Even as HR practitioners point to the promise of HR/people analytics when it comes to improving talent acquisition and management outcomes, data remains a common implementation barrier. Whether it’s the data needed to drive an analytics program or to power an AI-driven application, HR’s biggest roadblocks are data availability, access and integrity.
Most organizations see the value of using data to support talent decisions but the pace of adoption remains slow: Only 12% of organizations are using predictive analytics today.

Source: Mercer, Global Talent Trends 2019

In terms of access to data, Deloitte notes in its Human Capital Trends 2019 report that HR departments now have an average of “nine different systems of record,” which means that HR’s first step is completing labor-intensive database integrations in order to simply determine what, and how much, data is even available to their teams.

As GR8 People’s Director of Development Russ Ferri notes in People Analytics: Overcoming HR Data Challenges for Program Success, this “need for quality data—and lots of it—is what often sets HR apart from other applications of data analytics.”

Ferri, who recently completed the Harvard Business Analytics Program, points to the fact that people-related data has rarely been centralized within an organization, spread instead across areas as diverse as “recruiting, training and development, diversity and inclusion, performance management, workforce planning, benefits administration, labor relations, and organizational development.” Given this, HR continually grapples with inconsistent data collection and storage practices, which often present additional challenges for those charged with gathering available data and accessing its quality.

Ferri’s recommendation for HR is twofold: First, practitioners should take a step back and make sure they’ve clearly defined the outcomes they want to achieve. Only then can they move on to the next step, which is to assess the availability and quality of the data they have in support of their desired outcomes and, if they don’t, determine how current processes will need to be overhauled in order to begin collecting the necessary data in a manner that ensures integrity.
No discussion of AI and automation in HR would be complete without a review of the increasing importance of ethics and transparency as they relate to the use of AI in the workplace.

To begin, as more workers worry about the impacts of AI and automation on their career prospects, organizations will face greater scrutiny about how they use the technologies and collect the vast amounts of employee and job seeker data that make them possible.

Over the past few years, much of the discussion has centered around how robots are rapidly replacing blue-collar and service industry jobs. But a recent Brookings report questions the degree to which the impact of AI and automation on white-collar jobs has been adequately assessed. The report, which leverages Stanford University’s unique approach to analyzing the tasks and occupations that “are likely to be affected by AI capabilities,” finds that, unlike the case studies and analyst assessments relied on previously, “white-collar jobs are far more susceptible to AI than previously estimated.”¹

While the report’s authors emphasize that the findings do not necessarily equate to a broad replacement of tasks and work loss among white-collar professionals, they do point out that significant disruption is likely.

The upshot: AI will be a much greater factor in the future work lives of relatively well-paid managers, supervisors, and analysts (as well as production workers, who are increasingly well-educated in many occupations and heavily involved with AI on the shop floor). It may be much less of a factor in the work of most lower-paid service workers.

Source: Metropolitan Policy Program, Brookings, What Jobs Are Affected by AI?

As professionals who previously believed their work was insulated from the effects of AI and automation—and particularly those who invested heavily in their education in order to pursue high-paying careers—begin to feel the impact of AI, organizations should expect added pressure when it comes to addressing ethical considerations and operating with greater transparency.
Responses to GR8 People’s questions surrounding the importance of ethics and transparency when it comes to AI and automation in the workplace suggest that many organizations have yet to fully address ethical considerations, including employee or job seeker concerns. When asked if their organization had established either a role or team dedicated to AI ethics, only 20% said “yes.” The remaining respondents indicated “no” or that they “weren’t sure.”

Even fewer respondents characterized their organizations as being “extremely transparent,” to the degree that employees and job seekers are encouraged to provide feedback on the topic of AI and automation in the workplace, as well as clear communications being provided to these audiences regarding the company’s AI and automation practices.

These results align with research findings from Accenture, detailed in Decoding Organizational DNA: Trust, Data and Unlocking Value in the Digital Workplace. Slightly more than half—55%—of business leaders acknowledge that their organizations aren't asking for consent from employees regarding their use of employee data to assess organizational performance. Further, in surveying employees about their level of awareness when it comes to how “their company is extracting and using their workplace data today,” only 32% of respondents said they are aware and consented to the use of their data.¹/uni2075

And yet, there’s strong agreement among HR leaders regarding the value of transparency surrounding the large-scale collection and analysis of data within the workforce, as well as the AI applications that are driven by workforce data. Respondents to the GR8 People survey believe that, regardless of how their organization is currently handling the subject, transparency surrounding data-driven AI applications and automation is essential to building trust among current employees and job seekers. Weighted averages for the importance of transparency in fostering trust among these audiences equaled “4” on a Likert scale in which 1 = “not important at all” and 5 = “extremely important.”

The risks associated with a lack of transparency are becoming more clearly defined, including the loss of revenue, which Accenture has begun to quantify in order help organizations understand what’s at stake:

If businesses don’t use this data responsibly, they risk losing the trust of their employees and, as a result, more than 6 percent of future revenue growth. But if they adopt responsible strategies, the trust dividend would be worth more than a 6 percent increase in future revenue growth. Ultimately, up to 12.5 percent of revenue growth is at stake.

Source: Accenture, Decoding Organizational DNA: Trust, Data and Unlocking Value in the Digital Workplace
The bottom line is that organizations that want to ensure that both employees and job seekers perceive their use of data and AI to inform their decision-making process as a positive will benefit tremendously from the establishment of an ethics committee supported by transparent communications regarding how data is collected and used. And perhaps, most importantly, they will need to emphasize how the use of this data delivers clear benefits not just to the organization but to employees and job seekers personally.
SECTION FIVE

The Profession’s Future
Given the rapid transformation of the workplace and the pressures faced by HR practitioners, one might be tempted to think that there’s a dark cloud lingering over the future of the profession. Yet, our review of primary and secondary research findings indicates that optimism surrounding HR as a career path abounds.

**The Profession’s Future: Practitioner Perspectives**

To begin with, several HR jobs landed on Glassdoor’s list of the 20 Jobs With the Highest Satisfaction for 2019, including the number one spot:

<table>
<thead>
<tr>
<th>Job Title</th>
<th>Ranking</th>
<th>Satisfaction Score (5-point rating scale)</th>
<th>Median Base Salary</th>
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<td>Recruiting Manager</td>
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<td>4.6</td>
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<td>#10</td>
<td>4.2</td>
<td>$42,550</td>
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<tr>
<td>HR Manager</td>
<td>#11</td>
<td>4.2</td>
<td>$85,000</td>
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Respondents to our panel survey were overwhelmingly positive regarding the future of the profession. When asked if, given the state of the profession and where they believe it is headed, they would recommend HR as a career choice to current college students, all but one respondent selected “yes.” Most pointed to the rapid expansion of the field, the opportunity to be a strategic advisor to an organization and the impact of technology on talent management as reasons to recommend the profession.

**Top Three Reasons to Recommend HR as a Career Path**

- The field is expanding rapidly, which means there’s great potential to continually learn and advance one’s skills: 77%
- Organizations will increasingly need strategic HR thinking to help them get the most out of their workforce: 74%
- Technology (AI, automation, machine learning, etc.) is creating exciting opportunities across many areas of talent management: 46%

Source: GR8 People, Online HR Panel Survey, November 2019
In terms of the skills that respondents feel will be most important to future success as an HR practitioner, both technical fluency and data science/analytics came out on top. However, our panelists were also likely to identify several soft skills that they believe will serve the next generation well, primarily:

- Interpersonal communications/relationship building
- Problem solving/critical thinking
- Strategic planning

Large-scale research efforts have also found that, while technical abilities remain in high demand, organizations continue to place value on the acquisition and development of soft skills. According to Udemy for Business, learning and development leaders are prioritizing the following soft skills for 2020: innovation, change management, communication and storytelling, emotional intelligence, growth mindset and time management.¹/uni2076

The Profession’s Future: Graduate Student Perspectives

The graduate students who participated in GR8 People’s roundtable discussion are largely optimistic about their opportunities within HR, too. Those who voiced concerns pointed to factors common among most student populations today, from the ability to earn a competitive salary to wondering if they will like the day-to-day work.

Of particular interest is that, even amid all the technological change taking place within both HR and the larger workforce, these students remain firmly committed to the “people” aspect of the profession. When asked which HR areas they find most appealing, students overwhelmingly selected training and development, followed by performance management.
And, students very much see the development of employees as a major responsibility of organizations.

I’m drawn to training and development because being able to develop a good team is valuable to the company and facilitating a job well done is what I’m driven to do. … If I achieve my goals, I’m helping others achieve theirs.

I want to help people be the best versions of themselves.

I’m interested in attracting the best possible people and then making sure that we help everyone work to their potential.

If you don’t have performance management in place or you’re not giving employees enough opportunity to learn and grow then that’s on their managers.

I think it’s HR’s job and the company’s responsibility to make training really worthwhile for the employees and really easy to use.

Organizations have to implement the tools and resources employees need to do their jobs. It motivates them to improve their performance.

From their perspective, the future of HR will always be about investing in one’s employees in order to achieve sustained business growth and success.
Implications

The technologies being developed for and adopted by HR reflect the areas where practitioners spend most of their time. In recent years, this has meant a strong emphasis on talent acquisition technologies—such as those aimed at candidate sourcing, matching and assessment—however, shifts will continue to take place alongside changes in the labor market. For example, an economic downturn coupled with job losses due to automation will undoubtedly affect HR priorities and corresponding investments in technology development.

For all the buzz surrounding the application of AI-driven solutions across the HR function, most organizations appear to be in the early phases of adoption. Test cases and pilot programs are common, and very few companies report using AI broadly or possessing the in-depth understanding of AI to ensure its effectiveness. Talent acquisition and management teams who may feel as if they’re falling behind can invest the time and careful planning, including the addition of specialized staff to support their initiatives, that’s required to ensure the best possible outcomes.

While HR/people analytics is viewed as having significant potential to improve the HR function, the ability to gather the large-scale data sets required for effective analytics programs remains a challenge. The lack of centrally housed, clean data is also a barrier to the implementation of AI-driven HR applications as the success of an algorithm is largely determined by the quality of data that drives it. HR teams that want to leverage both people analytics initiatives and AI will need to begin by assessing the availability and integrity of their existing data and, quite possibly, overhaul current data collection and storage practices in order to realize their long-term goals.

As organizations struggle to compete for top talent by delivering a better candidate experience, those working in HR or planning to work in HR view AI and automation as essential to doing so. Whereas current professionals favor AI and automation that can take over time-consuming, repetitive tasks associated with the hiring process, the next generation of HR leaders views these technologies primarily through the lens of the job seeker. They favor improving the candidate experience through personalized content and job recommendations, as well as automated communications and the ability to access chatbots for on-demand answers to common questions. Industry research reveals that channels such as text and chatbots may be more effective in not only reducing time to hire but also in improving several other key hiring metrics. Talent acquisition teams seeking to deliver a better candidate experience should focus attention on these areas of opportunity.
The use of AI and automation to reduce hiring bias remains a challenge of the utmost complexity. Questions surrounding the validity of these technologies have resulted in concerns among not just HR leaders and job seekers but industry watchdogs and government entities. Organizations currently or planning to use AI for candidate screening and assessment, especially video-based assessments, should ensure they fully understand how the application works, whether built internally or purchased from a third-party vendor. Continually validating the tool’s effectiveness is another essential step to ensure that bias is being reduced and that candidates are benefitting from the technology.

The lack of an available budget to invest in AI and automation remains one of the most significant barriers to implementation. HR will need to demonstrate the value these technologies can deliver in quantifiable terms, and they should look to vendors of these solutions to help build the case. Vendors can also play a role in educating both HR and business leaders regarding the technology, as the current lack of understanding also works against organizations that seek to implement AI and automation across their talent acquisition and management practices.

Concerns among workers regarding how AI and automation will affect their jobs, as well as how they may find jobs, are real and warranted. Demonstrating an organization’s commitment to using these technologies ethically and ensuring transparent communications regarding their use will be key to earning—and keeping—the trust of workers. Not doing so can damage an organization’s brand and its revenues. HR can take a leading role in guiding companies in terms of both ethics and communications as they relate to the use of AI-driven technologies and the collection of data that drives them.

While the HR profession will continue to grapple with large-scale disruption to our workforce due to rapidly evolving technologies, both current practitioners and the next generation of HR leaders view the profession’s future positively. Those currently working in HR cited opportunities to continually grow one’s skills, serve as a strategic advisor to the business and apply technology to improve talent management outcomes as among the field’s most attractive attributes. Even more encouraging are the attitudes of those planning to enter the profession regarding what still matters most: the impact that HR can have on the success of people.
References


⁵TLNT.com, Talent Acquisition’s Evolution to Strategic Business Partner, 2019 (https://www.tlnt.com/reports/talent-acquisitions-evolution-to-strategic-business-partner/)


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