

Digital Transformation with HR Tech in 2020

AN EXPERT-DRIVEN GUIDE
FOR BUSINESS



BROUGHT TO YOU BY MONTERAIL



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Preface

HR technology is no longer just a fad—as HR tech apps continue to make employee and employer lives a little better, they stand as a powerful testament to the power of individual domains not only intersecting, but entering a fruitful and mutually beneficial relationship. The resulting global market is booming, with a current valuation nearing \$400B and new software products launched almost every week.

Watching the growth of this sector and cognizant of the undeniable need to make some changes to HR departments often ossified beyond function, you probably find yourself at the crossroads of choosing the right piece of HR tech for your organization. Or maybe you're wondering whether HR actually needs to undergo any sort of digital transformation? But if it does, is there any way to implement in a way that both benefits all of the involved parties—the HR departments, employees, and candidates—and speaks to the business aspect of the company?

The Purpose of This Ebook

Implementing a digital transformation in HR in a manner that aligns with your strategic objective and yields real benefits is no easy feat—and is usually a rather troublesome process. Since Monterail’s launch almost ten years ago, we’ve been involved in building several HR tech products, including an HR administration suite and a recruitment platform and we’ve experienced a lot of the problems companies encounter working with this type of client.

While HR technology is still mostly unexplored as a niche, its impact will continue to grow in the near future, mostly because of its fundamental purpose—boosting our productivity and well-being. Although we’re a software development company, we’re committed to evangelizing the approach positing that helping HR operate at peak capacity should be a core principle of every business.

As committed evangelists, we believe it is our duty to help businesses smoothen this digital transformation. The first step we ourselves had to take involved gleaning a better understanding of the relationship between HR and technology, but in our case that happened through a series of events. We’re certain, however, that starting with reading relevant and useful content may be equally instructive. We believe that it’s high time for HR to finally thrive—and draw on meaningful software to do so.

We want to help you navigate the HR tech maze and facilitate your digital transformation. We want to help the worlds of human resources and technology meet to build and buy, choose and use meaningful software. That’s why we decided to bring this ebook into the world.

The Contents of This Ebook

“Digital Transformation with HR Technology in 2020” explores most of the issues related to the current state of HR tech and offers innova-

tive solutions or actionable insights concerning your prospective next steps. This 60-page-long ebook is a comprehensive guide intended for the middle management-level personnel, heads of people operations departments, CFOs, and COOs. Each chapter focuses on a single topic and is augmented with expert opinions and commentary from experienced professionals and HR tech software vendors. To give you a better, more comprehensive overview of the current HR technology landscape, we compiled a summary of the state of the market in 2020, described the process of digital transformation step by step, and outlined the biggest gains such a process might bring you and your company. Our ebook also includes a list of recommended HR software and a discussion of trends that prove important to your business, as well as insights on the future of HR tech from noted opinion leaders in the industry.

We wouldn't have been able to publish this ebook if it weren't for the invaluable insights provided us by industry experts and seasoned practitioners:



Enrique Rubio

FOUNDER OF HACKING HR

The founder of Hacking HR, a global community established to discuss issues related to HR and technology, and a co-founder of Cotopaxi, an artificial intelligence-based recruitment platform for the Latin American market. With over 20 years of experience on the intersection of human resources and technology, he knows how to address the needs of both worlds.



Anna Ott

HR TECH EXPERT AND CONSULTANT

A Berlin-based HR tech expert with 19 years of experience in HR and talent acquisition. Currently an HR tech consultant with extensive background in helping entrepreneurs build HR tech products, evangelizing the field, and advising start-ups on their growth journey.



Philippa Penfold

HR TECH EXPERT AND CONSULTANT

CEO and co-founder of People Collider. Has over 20 years of experience in work across various industries, from start-ups to MNCs. She helps HR departments understand and harness technology. She has broad experience in formulating HR strategies and supporting the implementation of new practices and technology.



Hung Lee

CO-FOUNDER & CEO AT WORKSHAPE.IO

CEO of online recruiting platform WorkShape.io, and the curator behind the Recruiting Brainfood newsletter—one of the most popular and valuable sources of HR content on the Web. An industry veteran with over 15 years of experience, he's currently a strategic advisor for rapid growth businesses in the London tech startup scene.



Charles Ahmadzadeh & Anthony Reo

CO-FOUNDERS OF BUNCH.AI

At Bunch.ai, Charles Ahmadzadeh runs the engineering team and Anthony Reo leads the product team. Bunch.ai is an HR software suite aiming to measure and improve organizational culture using a real-time tool analyzing team communication.



Julian Tesche

BUSINESS DEVELOPMENT MANAGER AT PEAKON

Business Development Manager for the DACH region at Peakon and one of our panelists at [the Berlin HR Tech event](#). Peakon is a SaaS platform focused around Employee Net Promoter Score, measuring real-time data to provide companies with insights on team performance.



John Duisberg

CO-FOUNDER COOLEAF

Co-founder of Cooleaf - US-based mobile and Web technology platform that helps customers achieve better business results through a data-driven approach to employer branding and employee engagement. The first version of its mobile app was announced as the best B2B app during Atlanta Mobile Awards 2016.

Below, you'll find everything you need to know to make an educated decision about deploying HR technology in your company.

Enjoy the read,




Joanna Staromiejska-Drwięga – Editor
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This ebook was created with the use of content written by the content team members and Monterail contributors





The State of the HR Tech Market

Before we delve into the subject of HR technology, we ought to first clarify what it is that we'll be talking about—namely human resources technology, often called HR technology, HR tech or HR software for short. But what exactly does the name mean? As we're increasingly inundated with fancy names and impressive-sounding buzzwords, it's easy to get turned around and lose track of what actually classifies as HR technology and what doesn't. For the purpose of this ebook and for the sake of clarity, let's stick to a single definition of HR tech (derived from a variety of sources and expert opinions):



HR technology is software that automates the human resources function in organizations and improves all aspects of employment within a business.

Which aspects specifically does the definition have in mind?

HR tech may be used in data storage, analysis, and maintenance, staff recruitment and retention, payroll and salary, and even administrative support. HR tech can optimize and streamline these areas in myriad ways, for example, by automating uniformly recognizable patterns of behavior and performing them for the employee. HR technology should have the capacity to carry out many of these functions and should be accessible to all members tied to an organization: stakeholders, managers, employees, and, of course, HR personnel.

● The Evolution of HR Tech

Although it seems that HR tools have been around for ages, the era of modern HR technology dates back to the 1990s, when talent management apps and online job boards took root in most companies. Looking back, it's mostly clear to us now that their primary goal was simply to help HR people do their job. Most were either applicant tracking systems or payroll and benefits applications, along with a handful of apps that were supposed to help companies move from paper to digital records.

But these platforms were pretty far from user-friendly, nor was their implementation and maintenance a straightforward affair. They also lacked a human touch and an appeal that would make people actually want to use them. So, when mass migration to the cloud began in the 2000s, the ride with HR apps became much less bumpy and the decade ended up laying the groundwork for the modern apps and platforms that we use today.

The HR tech market of today operates on a variety of levels, a far cry from the administration-oriented software of the 1990s. Whether you deal with résumés, track working time, or monitor employee wellbeing—there's an app for that. The scope of HR tech apps available on the market is virtually boundless.

However, given the abundance of software available on the market, every newcomer app must be not only business-oriented, but also fun to use, furnished with friendly UX/UI, and designed explicitly to improve our productivity at work.

630

**various HR
Tech apps can
be found in just
one online list**

Source:
[Software Advice](#)

● Categories of software

HR software can be divided into almost countless categories. Because research doesn't actually favor any of these, you'll have to look into all pos-

sible classifications and taxonomies in order to best decide what’s worth your focus and what matters play the most important role to you.

● **BASED ON THE EXTENT OF PERSONALIZATION**

Off the shelf	Saas	Custom
A ready-made software product with a finalized set of functions, available for sale to the general public. No personalization available.	Software-as-a-service is a licensing model in which access to the software is provided on a subscription basis. Little or no personalization possible.	A tailor-made app designed for a single business, a specific set of users, with dedicated functions and features. Full personalization possible.

● **BASED ON THE COMPLEXITY**

Best-of-breed	Single Suite
A set of the “best” or most capable individual applications for specific HR functions and process areas.	One integrated system that supports all of the primary functions for HR and people management.

● **BASED ON THE BUYER’S JOURNEY**

Pre-employment		
	Talent acquisition and applicant tracking (sourcing, selection, interviewing, recruiting)	Zoho Recruit Recruitee BambooHR
	Pre-employment testing (personality assessment, skills assessment)	Interview Mocha Devskiller HireVue
	Onboarding (employee database, task flow management, handbook)	Whatfix Lessonly iCIMS Onboard

During employment	Talent management software (learning management systems, certification, career management)	Trakstar Spidergap Workable
	Time- and attendance-tracking software	Harvest Replicon Jibble
	Employee engagement and performance (peer reviews)	CakeHR Bitrix24 Optimity
	Payroll (incentive programs, commission, and salary planning)	Workday Payroll Mate paylocity
	Employee recognition and rewards	Bonusly energage SalesScreen
After employment	Offboarding software (employee surveys, outplacement)	RiseSmart Workelo BeyondIntranet

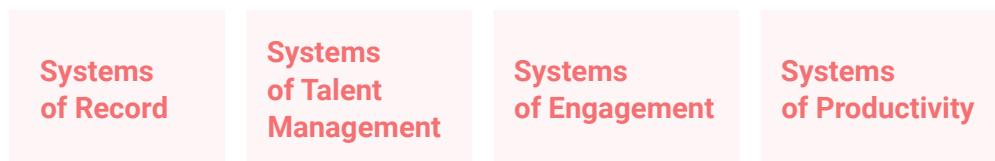
● ON THE CORE ACTIVITY WITHIN A CATEGORY

Core HR & payroll	Compensation, benefits, rewards	Workforce management	Integrated talent management
Talent Acquisition	Performance management	Corporate learning	Wellbeing management
Engagement & culture	Diversity & inclusion, transparency	Analytics & planning	Workplace productivity

Source: [HR Technology Market 2019: Disruption Ahead](#)

● BASED ON PARTIES INVOLVED

If we looked at how HR tech apps are used, another category would emerge, one in which HR tech is no longer a tool designed exclusively for HR managers. After all, many of these are used by all parties involved in the HR process, i.e. employees, employers, and job candidates. According to Anna Ott, an experienced HR tech consultant and strategist, a modern HR tech app should cater to [the needs of people in four areas](#):



Systems of Record help people track, manage, administer, and handle compliance. Talent Management Systems are obviously aimed at hiring, training, managing, and enabling employees. Systems of Engagement are nothing else than tools for engaging, empowering, and connecting people, while the relatively new Systems of Productivity focus on helping people get work done in a productive, healthy way.

● HR Tech on the rise

HR technology is an enormous part of the modern business environment. Globally, this particular landscape is valued at \$400B, with \$250B in the US alone. There are more [than 12 million employers](#) spending over \$5T on payroll, benefits, and other employee programs, in the United States alone. Larger companies spend almost 10% of their budget on HR matters, which, in turn, keeps driving huge growth in cloud-based HR technologies. And [further growth is expected](#):



Core HR software is projected to expand at a CAGR of 9.4% from 2017 to 2025, owing to extensive application in managing employees across the globe.

According to the [HR Technology Market 2019: Disruption Ahead](#) report:

from 7 to 9.1

the increase in the number of core talent applications used in an average large company.

\$310

average spending on HR tech per employee per year—a 29% increase from 2018.

91%

of SMB leaders consider HR technology to be critical or beneficial to their business.



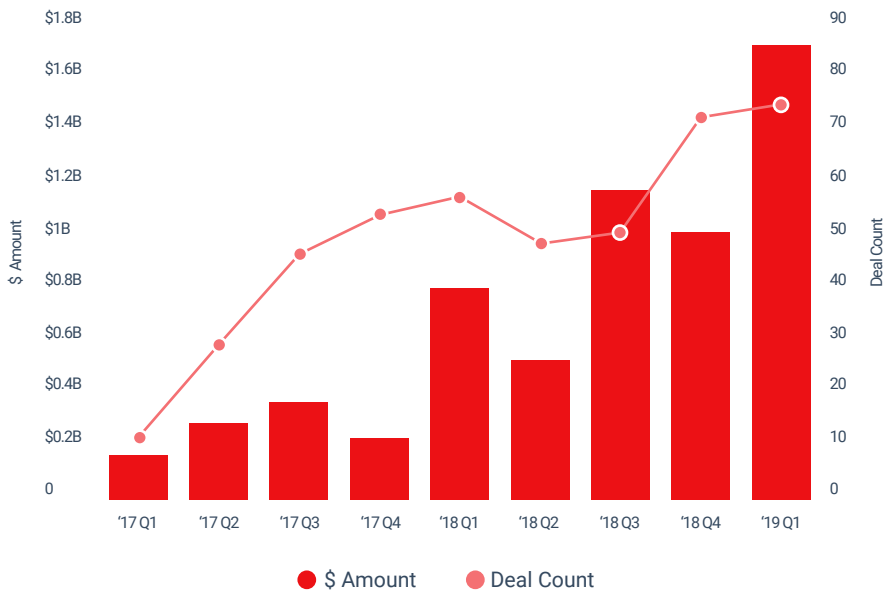
ANNA OTT

The demand for HR tech is simply this high, regardless of the type of tech we're talking about. Everyone has at least once in their career identified an HR process that was broken one way or another. For example, if you work a corporate job and it takes ages to get reimbursed for a travel expense claim, then the process needs to be optimized somewhere. We see advancements in consumer industries, so why is enterprise still lagging behind?

Fueled by fast growth, HR tech is fast becoming a point of investor interest. Private equity and venture capital firms are pouring huge amounts of money into the sector. According to [the global HR tech VC report](#) for Q1 2019, there's a visible rise in investment in HR-related apps. While two

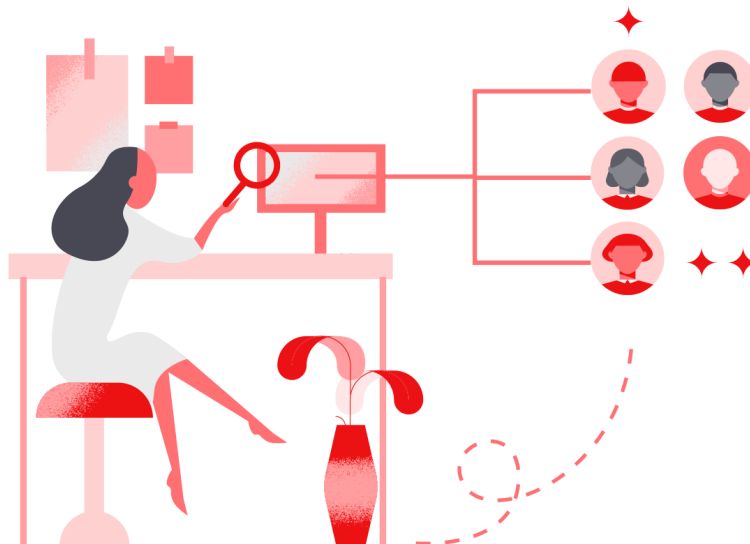
years ago, in early 2017, the total sum of investment in HR apps world-wide was less than \$0.2B, the situation in Q1 2019 was radically different:

“Global HR tech VC investments soared to new heights during Q1 2019, resulting in more dollars invested this quarter than any quarter since HRWins started tracking it. We found \$1.751 Billion across 75 investments.”



COMPANIES' INVESTMENTS IN HR APPS

Source:
[Global HRtech](#)
[VC report](#)



The background features a solid red color with several large, overlapping, semi-transparent shapes in a lighter pink shade. These shapes are organic and curved, creating a layered, abstract effect. The text is centered in the upper-middle portion of the image.

Is Digital Transformation of HR Really Necessary?

People no longer work for one company their whole lives, retiring after 50 years with a pension—in the US, people change jobs an average of 12 times in the course of their career. And it's no different in Europe. The average length of our careers is falling, with the expected tenure of the Millennials projected to shorten even further. New technologies emerge that revolutionize the way we work. 47% of all jobs in the US are expected to be computerized within the next decade or two.



PHILIPPA
PENFOLD

(...) Business models, technology and employee expectations are now very different from what they used to be. And it's ever-evolving. The question that HR should ask today is: "What can we automate that would enable us to create more value, not only improve efficiency?"

Faced with the changing nature of modern organizations, emerging careers, and a fast-paced work environment, business must be willing to adapt. And HR must follow suit in terms of adaptation. To avoid falling behind their competition, companies need to keep up with the pace that technology is moving at. As Anthony Reo from [Bunch.ai](#) succinctly put it:



If you can't adapt to change, change will eventually defeat you.

Unfortunately, the digital transformation of some businesses is, and will be for some time, considerably impeded by a lot of technological debt incurred in the 1990s, when many companies were running custom software based on their own infrastructure.

80% / 8 years

More than 80% of all investments into HR technology happened more than 8 years ago.

Source:

[HR Technology Disruptions 2018 Report by Deloitte & Josh Bersin](#)



ANNA OTT

The HR department in a typical company is still mostly a low-digitized part of the business, regardless of the size. Having worked in HR for almost 20 years, I see it as huge potential that's still unleveraged. Seeing that HR continues to be the backbone of most SMBs and corporations, we should be using this opportunity to actually increase efficiency through technology and automation.

● Problems and challenges of HR

● RECRUITMENT

Old HR tech or the lack of it are not the only problems that organizations encounter nowadays and hence splashing out on HR tools. Employers are constantly advertising, sourcing, recruiting, interviewing, assessing, and onboarding new hires. And they need support in these efforts. They search for ways to transform their workforce and solve their daily problems. And the list of them is long.



The most burning issues that companies encounter nowadays is the struggle with recruitment.

70%

of respondents found recruitment to be an important matter.

16%

perceived it as one of the three most urgent issues organizations will face in the next years.

Source: [Deloitte Human Capital Trends 2019](#)



HUNG LEE

Talent shortage is number one. Some additional workplace issues, such as undue pressure from managers, candidate engagement crisis, and lots of different issues of that type, ultimately all trace back to that talent shortage. As an economy, we're trying to digitize all companies, we have new companies launching every day and competing against very mature businesses. And that kind of situation creates a lot of challenges that are very similar in Europe and the rest of the world.



ANNA OTT

Asked about their biggest pain point, most HR people would point at "talent acquisition," because it's the most obvious problem. This is why there are so many companies out there building products focused around this particular issue, and why the sector continues to draw backing from big-name investors.

But as much as I love this development, I'd also have to say that the biggest potential of automation lies beneath the surface—in involves detecting the skills of our entire talent pool, including for-

mer applicants, existing and former employees, as well as all sorts of other “contractors” we have been in touch with. If we can find ways to capture capabilities and skills across all those groups, maybe even in real-time, that would unlock so many great use cases.

● RETENTION

Secondly, companies struggle with retaining, engaging and developing their people. Retaining employees in 2018 in the US-based companies noticed the highest quit rate since 2011 (2.4%). China, the United Kingdom, Germany and many other developed economies followed the suit. Data from a Deloitte survey of approx. 8,000 millennials concluded that:

49% expect to quit in the next 2 years

Source: [The 2016 Deloitte Millennial Survey](#)

● SHARING THE EMPLOYEE PERSPECTIVE



PHILIPPA
PENFOLD

If you ask HR about the common issues that arise during onboarding they will usually point out problems related to getting signed documentation returned to HR, arranging the new joiners’ desk and creating their IT profiles. By comparison, employees will cite onboarding problems such as:

- How should I act in this company’s culture?
- Who should I turn to when I face a work related issue?
- Who are the people important for me to get to know to perform my job?
- What is the key information I need to do my job well?

Focussing on HR problems can blind HR to the problems of employees. What worries me is that HR almost never chooses technology that solves the problems of employees, we tend to choose tech tools that solve problems in our function instead.

● LACK OF “DIGITAL” KNOW-HOW



ENRIQUE
RUBIO

Very often, HR doesn't have the necessary capabilities to lead their own digital transformation, let alone the one in their companies and to overhaul the functions of their departments. And that's where the level of digitization usually drops off, and considerably so. **Lots of companies don't understand how technology can help them.** HR departments and managers should prepare for the outreach coming from tech folks and seek out opportunities for smooth digitization around them. We are still far from this point.

Right now, HR is at a point where it's mostly collecting information from tech companies that come in the form of shiny sales pitches. What they often miss, is helping HR understand how the technology impacts both the front- and backend of the processes. Some unconsciously reject the idea of change, while others are quickly implementing everything they can get their hands on without giving the whole process a second thought. **The bottom line right now is that HR needs to transform and think about what lies at its core.**



PHILIPPA
PENFOLD

Many of the challenges are related to establishing and managing effective teams and individuals. While the HR efficiency-focused mindset is challenging to shift, it's compounded

by a lack of knowledge and understanding about technology. There is a growing interest in the topic, and forward thinking HR professionals are making the effort to learn about technology, particularly new technologies.

● STRATEGIC ALIGNMENT



PHILIPPA
PENFOLD

HR has trouble with shifting focus from efficiency to strategic goals and using tech to achieve those goals. Nowadays, if you look at the tech tools adopted by HR, most of them serve to boost efficiency—it's so rooted in our perspective.

Taking your established **processes and automating them for efficiency is no longer enough**—it doesn't tap into the potential of how technology can truly reinforce culture, boost productivity and create value.

Too often implementing technology is seen as the endgame, rather than a way to achieve a business objective. To serve its function well, technology should be treated as an enabler of change rather than the end itself.

● CHOOSING THE RIGHT TOOLS



PHILIPPA
PENFOLD

Many businesses also struggle to choose the right technology suited to today and the future. For example, if you need to recruit a lot of people in a short time, then you would use a different tool from one you would choose to improve your leadership strength, grow

headcount by five percent in the next five years or change the skill set of existing employees. It is quite challenging to think ahead and create a scalable technology ecosystem.

Many HR Managers say they want to digitalize their function but what they actually do is digitize; they take systems and apply them to processes which operate in much the same way they were undertaken before.

Companies are replacing outdated HR systems with modern dedicated or cloud-based solutions capable of keeping up with employees' expectations as well as HR departments' needs. But features and visuals aren't everything. Old systems simply lack Candidate Experience which is a relatively new term but at the same time one of the main drivers of change for organizations. Users of any HR tech app need more compelling, consumer-like experience.



Implementation of the HR Tech

● Your HR Tech Stack

Whether we're talking about HRIS (Human Resource Information System), HCM (Human Capital Management), HRMS (Human Resource Management System), or even small function-specific apps, there's a tool able to perform and boost almost every HR function.

Given the growing needs of HR departments and the abundance of HR solutions, there is no single, definite answer as to which tool is essential and which only optional—it all depends on unique company needs and goals. That said, talent acquisition software seems to be a must-have tool for most middle-to-large organizations.

Anna Ott, suggests this approach to building a tech stack:



ANNA OTT

Start with the basics and get the basics right. Start with the core of HR (ATS)—anything that automates your recruiting pipeline, because that's the groundwork. There are a lot of apps for that, so you will need to check them out yourself to pick the best one for you. Second, find tools to help you build a talent pool you can draw on down the line. Engage with people already in touch with you instead of pitching strangers on LinkedIn. Tackling these two will have the most pronounced impact on your HR strategy.

● RECRUITING SOFTWARE

Talent acquisition solutions streamline the hiring process. From posting job ads to scheduling interviews and even suggesting the best candidates for

a particular position, software like this gives organizations an opportunity to transform talent acquisition into a competitive advantage.

● EMPLOYEE ENGAGEMENT TOOLS

Since employee engagement is currently a key metric for many executives, investing in software designed to collect and track employee feedback, reward achievements, and produce insights for organizational decision-making might be a sensible choice.

71%

Of respondents rank employee engagement as very important to achieving overall organizational success.

72%

Of respondents rank recognition given for high performers as having a significant impact on employee engagement.

● PAYROLL SERVICE

Calculating payroll is taxing and time-consuming. A dedicated payroll system or an HRMS (Human Resource Management System) suite with a payroll feature can help companies keep track of paychecks, paid time off, and payroll taxes.

Source: [HBR](#)



PHILIPPA
PENFOLD

The common use of some HR technological tools makes me question whether companies are prioritizing the right challenges, and going beyond improving efficiency as a goal. I know many people include control and data management in business cases for such systems, and while I respect the importance of those goals I believe they still represent a limited usefulness and value of such systems. Yet, the majority of budgets are spent on single large systems, many of which can only solve a few challenges, leaving many challenges unaddressed.

I believe HR should choose solutions that help solve specific goals, be they for the function, the employee or the business. The point is, the system will be different depending on that strategic purpose because one system cannot solve them all. We need to be comfortable accepting multiple systems, and consider budget allocation accordingly.

● The process step by step

Despite the seemingly steady growth rate, the adoption has proven a bumpy road. To enjoy expected results, companies first have to recognize areas in HR that technology could enhance, and then overcome the specific challenges brought on by the introduction of HR tech into an organization.

As pointed out by many of our experts, HR cannot be separated from strategy. On the contrary—the two should go hand in hand. Below, you'll find curated a list that outlines key steps and offers actionable insights that will help you implement the HR tech smoothly.

● ALIGN WITH STRATEGY

When you start building your HR tech stack*, the first and foremost thing to do is NOT to think about it separately from strategy.

The truth is, the aforementioned separation of HR and strategy is just an arbitrary arrangement that never ought to be pursued when it comes to HR tech. What really matters, and what is constantly emphasized by experts, is the goal. Why do you need this and what is it going to change? How does it align with your overall strategy? Let's see what experts have to say.



**PHILIPPA
PENFOLD**

To serve its function well, technology should be treated as an enabler of change rather than the end itself. HR should start selecting software that enables the company to realize its strategy; not tools solely for the HR department itself.

It seems like there's a lot to improve on both sides, the HR practitioners and HR tech vendors. We all need to learn and listen to each other's needs. There is great potential in the synergy between HR, technology and business. In a world filled with new technologies and challenges to solve in the future workplace, I'm excited about the HR tech revolution!

*HR tech stack is the set of HR software used in the organization ranging from the Google Sheets to complex ATS.



ASSESS YOUR NEEDS

First of all—assess your needs closely and check them against the costs, time, and effort a proper implementation would take. Such an analysis will most likely reveal that the introduction of at least one type of HR-focused technology solution will outweigh the challenges presented by the prospective adoption.

Identify your main pain points and gaps. What are you struggling with the most? Take a moment to write them down. What are you struggling with the most? Some companies may find their needs are met by only a fraction of what many HR technology solutions offer, and thus only need limited, function-specific software. Investing in sophisticated HR suites that are too cumbersome to use and pack features the organization simply doesn't need will be an unnecessary waste of time and resources.

For the adoption to be successful, work with your HR staff to get a clear understanding of why a piece of technology is being introduced, as well as the problem the solution is designed to solve. Identify areas in HR which can and should be automated, and where that automation will aid the execution and delivery of HR operations and services.

● PRIORITIZE

What is business-critical? What carries the biggest risk but also the biggest gains? Are there resources to make this decision right now? Why do you need this and what it's going to change. How does it align with strategy?

Anna Ott's advice is to choose wisely and choose open-style, modular platforms that you can experiment with and then add layers to it:



ANNA OTT

Don't bulk buy a lot of apps, but try to outline your biggest pain points. Always make sure you know where to measure the return on investment. It doesn't make sense to deploy chatbots when you don't know what you're measuring their performance against. Why? If you don't know what to measure, what to compare your performance results against, you won't be able to say whether you're solving any problems or simply producing new ones. Also, it will be hard to obtain budget for it because in order to obtain tech budget you need to make a business case out of these decisions. Do the math. Become a business-minded HR person that deals with analytics.

● RECOGNIZE AND SOLVE ADOPTION CHALLENGES

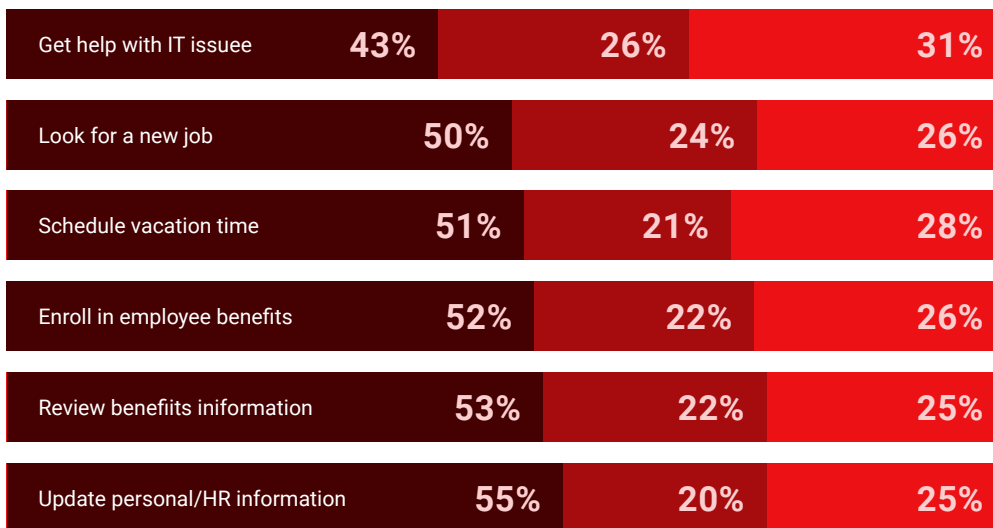
What is business-critical? What carries the biggest risk but also

the bigAlthough the digitization of HR departments and their functions is necessary to improve operational performance, the challenges such a shift entails usually delay its adoption.

The challenges of adopting HR tech aren't that much different from those presented by any other new technology; however, in the case of HR departments, one of the biggest fears seems to be the potential risk of deteriorating relationships between employees and HR staff. After all, the HR department should be accessible to all employees and inclusive in its efforts—adding another degree of separation between the two realms seems counterintuitive. This fear, however, seems ultimately unfounded, because studies show the reality is quite different:



Half of workers prefer digital interactions for common HR tasks. Schedules, benefits, and updating personal information can be digitized.



- Prefer tasks are primarily face-to-face
- Prefer tasks are 50/50 digital and face-to-face
- Prefer tasks are primarily digital

CONNECTION PREFERENCE WITH HR IN VARIOUS TASKS

Source: [PwC](#)

In order to alleviate employee concerns, show them why HR software can be of great value to the company and to them, personally.



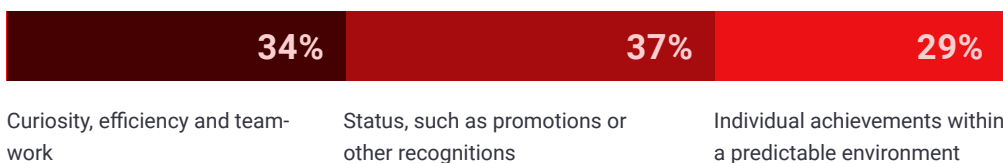
**PHILIPPA
PENFOLD**

People who understand the human condition are not often involved in the technology creation process, and they should be. While I don't think that it's solely the responsibility of HR, we do need people-oriented specialists to be involved if we are to have technology designed for our needs.

- **Motivate Employees to Use HR Technologies**

HR staff can be reluctant to accept new technologies simply because they might feel threatened (if the company seeks to automate certain tasks, some employees may assume that staffing cuts could soon follow). That's why it's important to clearly explain the reasons driving the adoption and to incentivize HR personnel to use it.

Some incentivization examples include possible career advancement, improved efficiency, or a better work environment.



INCENTIVES PROMOTING THE ADOPTION OF NEW TECHNOLOGIES

Source: [PwC](#)

- **Work Together with the HR Team**

Begin the implementation of HR tech into the organization by rounding up the most time-consuming tasks the HR staff is saddled with. For example, if your recruitment pipeline is in turmoil and is likely to stay that way due to heavy company growth, you might want to consider im-

plementing talent acquisition software to take over those tasks in the process that can be automated.

- **Select the Tools Wisely**

Since HR tech tools come in a variety of sizes and use cases, not every solution will be applicable industry-wide. It's thus important to analyze both company and department needs. At the end of the day, HR tech should facilitate and support the work of HR personnel and other employees in the organization.

It's also essential to recognize that there are areas and tasks in HR where automation, or any form of delegation to software, will be inappropriate. For example, employee conflicts and complaints should always be handled personally.

So, let's take a dive into all the possibilities HR software has to offer, and a closer look at how each of them can help you in your organization.

- **Making HR Tech Worth the Investment**

With a proper HR tech stack, HR professionals can outperform their counterparts in companies where HR tech is either in its nascent stages or altogether absent, producing a competitive edge which can then directly translate into heightened employee engagement and more effective talent acquisition. HR staff should also consider the cost-optimizing capabilities of HR technology—particularly in terms of reducing administrative and compliance costs.

The main reason for the integration of HR tech to an organization should be to eliminate low-value, repeatable, time-consuming tasks via automation, and instead using the reclaimed time to address other important matters.

<p>64%</p>	<p><20%</p>	<p>22%</p>
<p>Of employees say that mobile apps increase the effectiveness of their work</p> <p>Source: Aruba Network</p>	<p>Of companies provide their employees with access to mobile HR apps.</p> <p>Source: Deloitte University Press</p>	<p>Per employee is the level of savings that companies achieve when digitizing their technology infrastructure.</p> <p>Source: Bersin by Deloitte</p>

But, as is the case with every new technology introduced into an organization, make sure your employees are thoroughly trained in using it. The solutions themselves should also lean toward the more intuitive, in order to let HR staffers generate satisfactory results faster and more eagerly.



**PHILIPPA
PENFOLD**

I do think it's important that more HR shift their attention to people and productivity challenges, and how they can help people and the business transform digitally, not only transform the traditional HR function. All three levels are important for successful transformation; people, functions and business model.

There is also a very important and often overlooked aspect, and that's the transformation of HR professionals themselves. Through the transformation of HR professionals, the transformation of the HR function will be much easier and more effective, in much the same way that the digital transformation of business is achieved through the transformation of the employees and their digital capability. To try to transform our function without first transforming ourselves seems nuts to me.

However, HR needs to be more knowledgeable and capable in regards to technology, so they can get involved in the creative process, rather than only being unschooled buyers and end-users of finished products. There have been cases in which HR has very effectively co-developed tools with HR Tech companies, and there are a growing number of firms building tech tools to order for HR. Such initiatives can produce the technology we need, but only when people from HR can participate in the process.

● Technology to the rescue

Given current capabilities of HR tech, including AI-infused solutions, most of the tasks HR staff is saddled with could be easily automated and re-configured to generate better results. A large portion of administrative HR tasks, such as health insurance questions and inquiries, leave requests and approvals, or onboarding processes, are repetitive—and as such could be well-handled by HR software.



PHILIPPA
PENFOLD

With the technology available today, HR can improve the matching of individuals to teams on multiple dimensions increasing team effectiveness and outcomes. With the increasing reliance on cross-functional teams, the right HR Tech tools can add significant value and **benefit both the employees and the businesses.**

HR tech is widely recognized as being able to reduce expenses, help acquire and develop employee skills, and facilitate employee engagement through technologies that can be easily used by everyone in the company.



ENRIQUE RUBIO

Let me just clear one thing up real quick: before you start thinking about automation, make sure you have the right processes in the right shape. Still, there are HR areas that are stuck with paperwork like payroll, compensation, onboarding, leadership development. Concerning the latter, many organizations continue to use this old school model of one-size-fits-all solutions.

What technology can improve here is identifying the needs of individuals.

Case studies

COOLEAF

In many organizations, HR is viewed as a cost center rather than a strategic part of the business, contributing to its poor reputation. Cooleaf has found a way to make HR software not only beneficial but also a crucial aspect of almost every company.

Source: cooleaf.com

The screenshot shows the Cooleaf Connect interface for a user named Jason Jenkins. The top navigation bar includes the 'turner' logo, a welcome message, and user profile information for James Jenkins. The main content area is titled 'Welcome, Jason Jenkins!' and features a navigation menu with options like 'DETAILS', 'TASKS', 'ACTIVITIES', 'POSTS', 'RECOGNITIONS', and 'POINT BALANCE'. The 'DETAILS' section is active, showing a profile card with a photo, user details (Name: Jason Jenkins, Title, E-mail: jason.jenkins@mail.com, Phone number), and celebrations (Birthday: July 14th). The 'About me' section contains a placeholder text. The 'Your achievements' section lists several items with icons and counts, including '#management' (1), '#bizdev' (1), and another '#management' (2). The 'POSTS' section shows two posts: 'post about sth' from July 1, 2019, and 'post about sth' from June 8, 2019. The 'RECOGNITION' section shows 'great workshopx' from May 15, 2019. The 'BUSINESS CHALLENGE' section shows 'joining the management challenge' from May 10, 2019. The right sidebar contains 'Teams' (@Managers, @Atlanta), 'Notifications' (Weekly activity digest, New post messages, New private post messages, New comments to private post messages), and 'Integrations' (MISFIT, with a note that the account is connected to a Misfit account and a 'Change settings' button).

It is a US-based mobile and Web technology platform that helps customers achieve better business results through a data-driven approach to employer branding and employee engagement. By implementing the “Leading Behaviors” methodology into their product, they managed to give company leaders a tool to track critical engagement and people-related analytics.



JOHN
DUISBERG

Leading Behavior means defining the activities and behaviors that employees can increase engagement in now on the frontend will drive the desired outcomes on the backend. To give you an example: if you have a sales team, you want to increase revenue at the end of the quarter and you probably know what things people should be doing right now to achieve that—those are leading behaviors. It’s the focus of our employee incentive and recognition strategy, which helps business leaders achieve their real-life goals.

We’ve had one client with us for four years already, and they saved \$2.3M in turnover, so the ROI here is significant. But they didn’t only implement our platform—they also implemented a strategy that helps execute it.

Right now, this award-winning app serves businesses of all sizes that seek to authentically motivate, inspire, and appreciate employees. Since 2013, it has garnered praise and recognition from companies like citi, Rubicon or WestRock.



JOBPAL



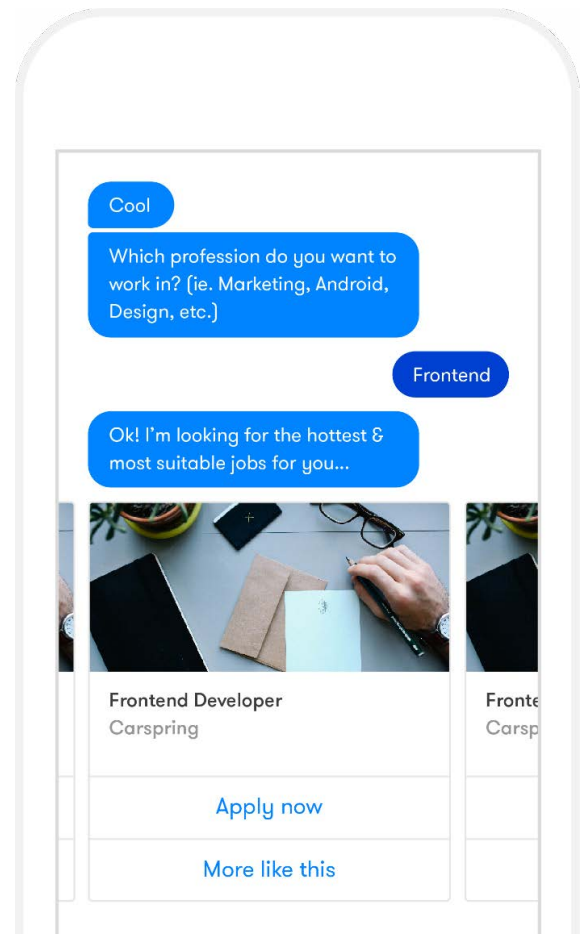
ANNA OTT

There’s a company called [jobpal](#), which specializes in developing chatbots for use in talent recruitment, and their client portfolio includes the [Airbus](#) consortium. The aerospace giant has deployed chatbots to engage with potential

candidates to assist them with finding relevant job offers and to answer whatever questions they may have.

This chatbot helps job seekers decide whether to apply or not. Rather than merely sourcing talent, its role is to capture the candidates' attention and ultimately convert them into applicants, which is an extremely tough task. On top of that, Airbus has automated a process that usually requires human staff, and furthermore managed to augment it with skills that only an AI-powered solution can provide. How?

Well, they can go back to candidates, regardless of the engagement stage they're in or the communications time-frame, and say: "We have a new job offer for you. Would you like to apply?" This level of control over potential applicants is hard to achieve using just human capabilities and resources.



TALENT RECRUITMENT CHATBOT
BY JOBPAL.AI

Source: jobpal.ai

This case perfectly illustrates that implementing HR tech is often a smart choice which unlocks a variety of use cases that would never have been discovered without it.

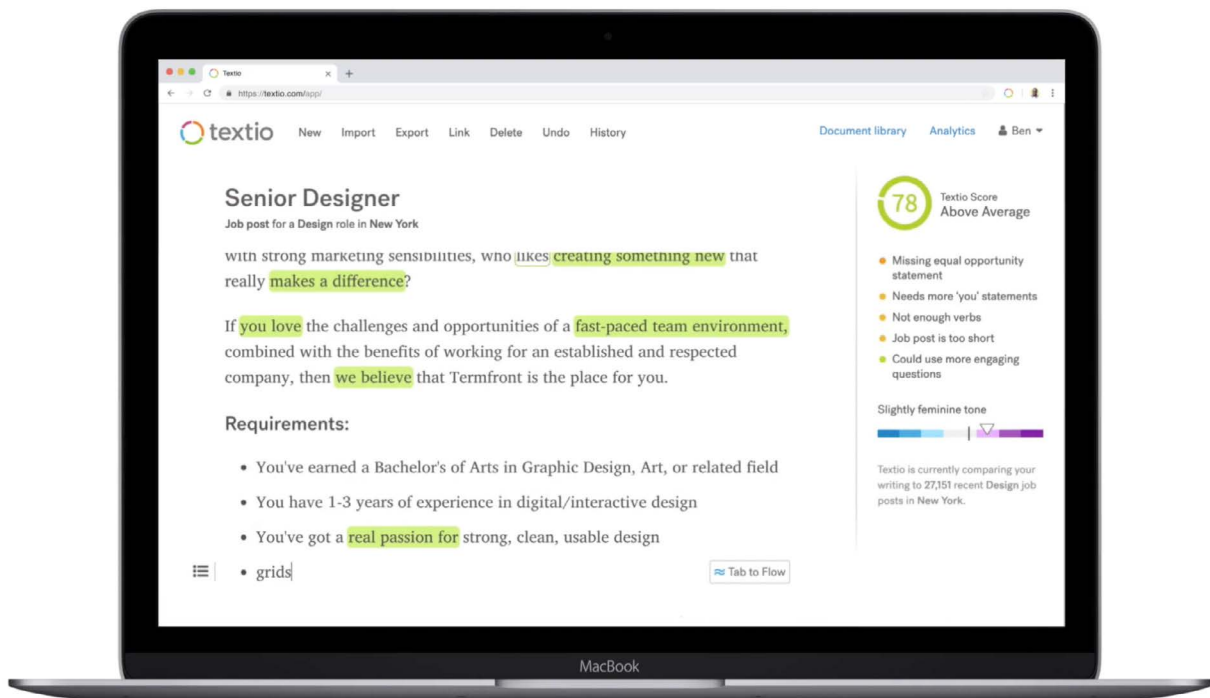
● PYMETRICS AND TEXTIO

Both tools serve to leverage behavioral science and audited AI technology to match people to their best-fit job, bias-free. On the whole, it increases companies' recruiting efficiency and candidate diversity as well as improves employee retention.




ENRIQUE
RUBIO

The examples I really like are Textio and Pymetrics cases. Textio realized that their written job descriptions might be biased, as in they used specific words which might have led to people thinking the job wasn't for them. So what they did, they rewrote the job description to make it neutral. Using technology and data. Pymetrics used gamification for the recruitment process at Unilever which resulted in decreasing their hire time by 75%. Now, they can also find people who are a better match for their companies.



Source: textio.com



**Artificial
Intelligence—
Buzzword or
Gamechanger?**

Saturated with ever-increasing amounts of data and robust and affordable computing technologies, artificial intelligence is branching out into more and more diverse industries and areas of life. Business-wise, AI has the capability to improve almost every sector and almost all business functions and operations. Helping employees and business owners make crucial analysis-backed decisions, AI software also automates workload and boosts efficiency. But can the same be applied to HR departments, which, most of all, rely on the human factor?

● **What Is Artificial Intelligence?**

Artificial intelligence is the use of algorithms that mimic human intelligence to perform cognitive functions and solve problems through interaction, visual perception, learning, reasoning, natural language processing, and planning. Or, in simpler words, AI makes computers capable of learning from data how to process it and adapt according to the changes in that data.

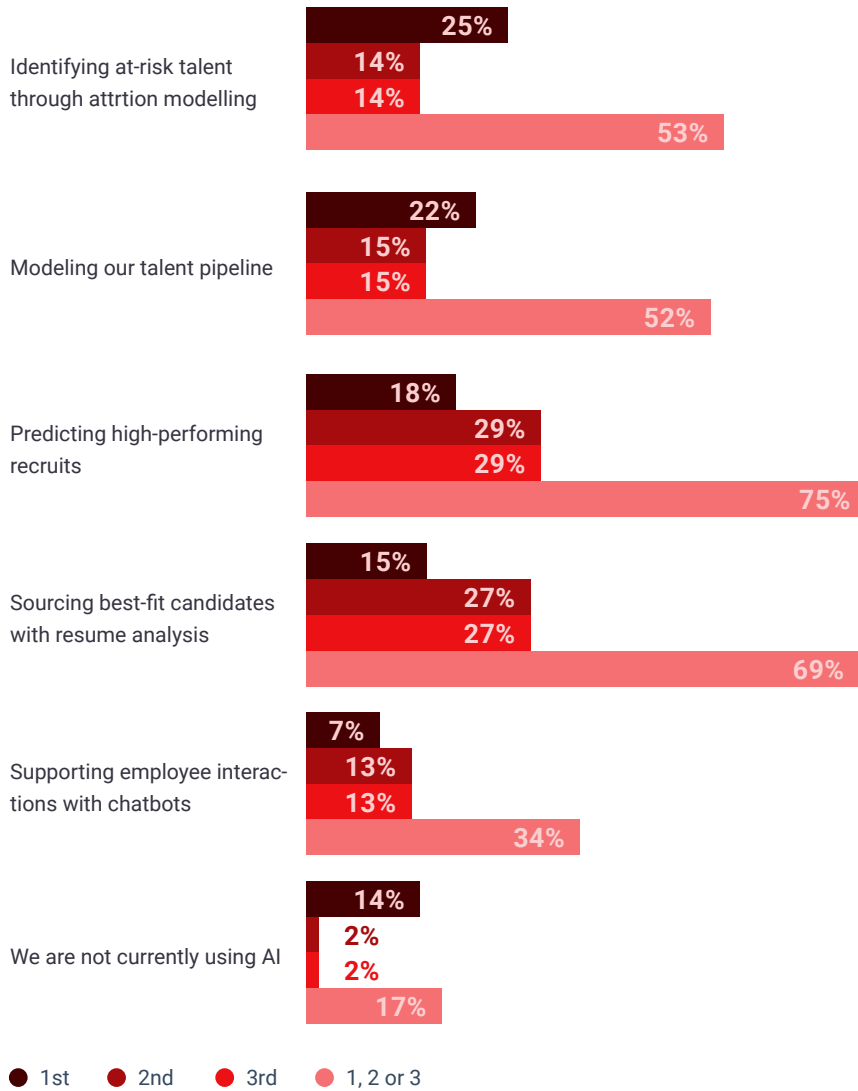
Artificial intelligence is an umbrella term for terms such as machine learning, deep learning, neural networks, image recognition, predictive analytics, and many, many more. The algorithms used in AI software remodel themselves automatically based on data analysis to provide more and more refined results to suit their designated function.

● **HOW AI INFLUENCES HUMAN RESOURCES IN MODERN ENTERPRISES**

With data at their core, HR departments offer a huge opportunity for AI software. Datasets with potential job candidates, past candidates,

and current employees all create a very fertile environment for artificial intelligence to yield analytics-backed insights into various HR-related processes.

The Oracle study on advanced analytics in HR departments identified areas where AI is being used the most among respondents.



CURRENT AI USE CASES AT HR DEPARTMENTS

Source: [Oracle](#)

The results of the study show that HR departments most often turn to AI-fortified software to determine which employees are likely to leave. In-depth analysis of many variables, along with AI’s ability to predict

outcomes, might be helping recruiters curb talent attrition. Respondents also use AI to source the best talent through résumé analysis and predict which of the candidates has the potential to generate the most valuable output for the company.

Let's further explore those three areas as well as other functions in which AI could aid HR departments.

● RECRUITMENT (TALENT ACQUISITION)

One of the biggest benefits that AI offers hiring managers is the ability to identify suitable candidates. AI software can perform a preliminary analysis of a candidate's résumé to cross-check declared skills against the skills of successful employees with the same job title.

This greatly speeds up the recruitment process—when there are hundreds of applicants for a single opening, sifting through all the submitted résumé can present quite the workload. AI, on the other hand, can do it in a fraction of the time it would take a human.

AI helps eliminate human bias—the algorithm looks only at the relevant elements included in the résumé: skills and experience. Removing human bias from the recruitment process encourages an inclusive workplace. A [study](#) found that companies using AI-augmented software increased their effectiveness in making a competitive advantage of the talent acquisition process by 16%. Using AI to sift through résumés also increased efficiency in reducing applicant screening times.

● AUTOMATION OF ADMINISTRATIVE TASKS

Automation of standard HR processes and low-value tasks is another key area where AI-based software has the potential to improve HR operations. For example, pre-screening questions or interview scheduling can be easily delegated to AI to speed up the recruitment process. Allocating

office space or provisioning equipment, too, are tasks that don't have to be performed manually by HR staff but can be taken over by an appropriate application.

An Eightfold study found that [HR personnel using AI software](#) performed administrative tasks with 19% more effectiveness, compared to HR departments where no form of AI was implemented.

● ONBOARDING

Onboarding is a crucial part of successful employment. According to [Glassdoor](#), a strong onboarding process at companies improves new hire retention by 82% and increases productivity by over 70%. A study by Click Onboarding says that almost three-quarters of employees “are more likely to stay with a company for three years if they experienced great onboarding.”

With the use of artificial intelligence, onboarding can be customized to individual employees, their position and tasks.

AI algorithms can be used for:

- briefing about job profile, tasks, benefits
- informing employees about important company contacts
- setting up company systems
- identifying and answering repetitive employee questions

● EMPLOYEE TRAINING

Large datasets with information on past job profiles and skills are an excellent base for e-learning AI platforms to provide training suggestions and tailored training programs. Company e-learning platforms can therefore leverage AI capabilities to improve employee job-related skills by planning, organizing, and coordinating employee training.

E-learning platforms can also create highly personalized learning pathways. By assessing employee skills and analyzing company needs, the e-learning platform can help the employee fill skill gaps, polish existing skills, or both—all at a pace and intensity that particular employee finds most comfortable and efficient.

● RETENTION

AI-based analysis of individual preferences and employee performance helps HR departments identify who should get a raise and who is likely to resign. IBM's refined AI technology predicts which employees plan to quit with 95% accuracy. Knowing which workers think about leaving before they actually hand in their notice gives managers an opportunity to introduce retention efforts that decrease talent attrition.

Retention-oriented AI technologies let HR teams prepare individually adapted feedback surveys, reward systems, and recognition programs that further engage employees.

● EXPERTS ON AI



**ENRIQUE
RUBIO**

I'll give you one example which illustrates the risks quite well. Some time ago, Amazon introduced AI-based recruitment software and they had to scuttle it rather quickly as it turned out to be biased against women and minorities. So what happened here was a case of not having the right processes and maybe the right people in place. Maybe the team wasn't diverse or diverse enough. If the implemented technology aggravated the process, then the process wasn't good in the first place. The problem in their case wasn't technology, it was the data they used to make recruitment decisions. The problem lay in the core processes: the approach to data and data collection methods.



PHILIPPA
PENFOLD

My fear is that our future, filled with new technologies such as Artificial Intelligence, will be built by technologists alone. While I respect their work, I don't think they should create tools without the contribution of people who understand the human condition. I must add, I don't believe technologists want to do it alone, I come across many in the HR Tech industry who are trying their best to get HR involved. It's up to HR whether or not we are involved or not. I really hope we choose to step in, and soon.



CHARLES
AHMADZADEH

There's definitely one thing to acknowledge and it applies to anything that's AI-based or more or less based on data. Data is only quantitative. It can't give you the qualitative aspect. It doesn't give appropriate weight to certain aspects.

Let's say you have representatives of minorities on staff. And if you only look at high-level quantitative data, you're not gonna hear their voice. That's basically a big problem. You need to keep it balanced. Talk to people one on one, do surveys, and add data on top of that. The role that data plays here is trying to check the bias that you have.

If you have a manager who's very biased against gender, for example, then having data that can keep them in check, can help you debias their decisions or your own. When you combine both, you can have the best outcome. It's the role that data plays, it helps you achieve a more accurate and objective picture of what you already have.

The background features several overlapping, semi-transparent shapes in various shades of red and pink. A large, dark red shape is on the left, partially overlapping a lighter pink shape. Another medium-sized red shape is in the center, overlapping the pink one. A large, light pink shape is on the right, overlapping the dark red one. The overall effect is a layered, organic composition.

The Ultimate List of HR Software

The global HR tech market is booming and further growth is predicted by experts. With a skyrocketing number of latest HR tech tools, companies struggle to keep up and choose the right ones.

● **TALENT ACQUISITION AND CANDIDATE SOURCING**

These tools help recruiters find the right people for the jobs – from simple job boards to more intricate platforms that match candidates to open positions and help employers market their brands more efficiently.

1. [Humans](#)
2. [Honeypot](#)
3. [Upwork](#)
4. [Fiverr](#)
5. [Indeed](#)
6. [PathMotion](#)
7. [Workshape.io](#)

● APPLICANT TRACKING SYSTEMS

Known as [ATS](#) among HR pros, they're essentially recruiting software used by HR, recruiters, and hiring managers to find job candidates and track them throughout the hiring process. They're like CRM platforms (customer relationship management), but specifically for recruitment purposes. Here are some examples.

8. [Taleo](#)
9. [Greenhouse](#)
10. [JazzHR](#)
11. [Workable](#)
12. [Jobvite](#)
13. [Bullhorn](#)
14. [Lever](#)

● APPLICANT TESTING AND ASSESSMENT SOFTWARE

These platforms help choose the best candidates during the recruitment process, allowing recruiters to create assignments, cognitive ability tests, and job knowledge tests.

15. [HackerRank](#)
16. [Testdome](#)
17. [Interview Mocha](#)
18. [pymetrics](#)
19. [TalentSorter](#)
20. [Devskiller](#)

● EMPLOYEE REFERRAL PROGRAMS

On the competitive candidate market, candidate referrals are priceless. Referral programs can improve employee retention and ensure high quality candidates that are fit for the job. That's why many companies create comprehensive programs to encourage and reward good referrals.

No wonder there are platforms that can help automate the process.

21. [TalentLyft Source](#)
22. [Teamable](#)
23. [Employee Referrals](#)

● ONBOARDING AND OFFBOARDING SOFTWARE

So you found the right candidate who went through the recruitment process and got hired. Time to [onboard](#) them. There are more and more platforms that make this process easier and help automate it.

24. [Talmundo](#)
25. [HR Onboard](#)
26. [Sapling](#)
27. [HR cloud](#)
28. [Click Boarding](#)
29. [Chief Onboarding](#)

● VIDEO INTERVIEWING

With remote work on the rise, video interviews are sometimes the only chance recruiters and candidates get to see each other. Apart from well known apps like Skype, there are solutions strictly dedicated to recruiting new employees.

30. [Cammio](#)
31. [HireVue](#)
32. [VidCruiter](#)
33. [ConveyIQ](#)
34. [Spark Hire](#)
35. [Wepow](#)

● TALENT MANAGEMENT AND HUMAN CAPITAL MANAGEMENT SOFTWARE

Talent management systems (also known as TMS platforms) are integrated HR tools covering the four pillars of talent management – recruitment, perfor-

mance management, learning and development, and compensation management, providing companies with strategic help when it comes to human capital.

- 36. [**Namely**](#)
- 37. [**Bamboo HR**](#)
- 38. [**HRadvocate**](#)
- 39. [**WorkforceNow**](#)
- 40. [**TimeTrax**](#)
- 41. [**Ultimate Software**](#)

● TIME AND ATTENDANCE TRACKING SOFTWARE

There are both platforms strictly dedicated to managing attendance and time and comprehensive ones combining time tracking with other aspects of HR. Let's look at some of them.

- 42. [**Jibble**](#)
- 43. [**CakeHR**](#)
- 44. [**Calamari**](#)
- 45. [**OnTheClock**](#)
- 46. [**Time Doctor**](#)
- 47. [**Work Examiner**](#)
- 48. [**focusmate**](#)
- 49. [**PukkaTeam**](#)

● EMPLOYEE ENGAGEMENT AND PERFORMANCE

So you measure your sales performance – but do you measure the performance of your team members? Luckily, there are apps for that that help not only see how your employees perform, but also help you motivate them to perform better.

- 50. [**15Five**](#)
- 51. [**Emplify**](#)
- 52. [**Peakon**](#)

- 53. [GroSum](#)
- 54. [Humanoo](#)
- 55. [Cooleaf](#)
- 56. [Bonfyre](#)
- 57. [Trakstar](#)
- 58. [Small Improvements](#)

● LEARNING MANAGEMENT & CAREER PATHING

Learning and growth are key for your employees. Today, there's plenty of software that helps personalize it by creating multiple career path scenarios based on employee potential, identifying skill gaps, and reviewing job competencies.

- 59. [Grovo](#)
- 60. [PathSavvy](#)
- 61. [Talent Guard](#)
- 62. [OpenTute](#)

● PAYROLL

- 63. [Xero](#)
- 64. [Zenefits](#)
- 65. [Workday Payroll](#)
- 66. [FingerCheck](#)
- 67. [BrightPay](#)
- 68. [PrimePay](#)

● BENEFITS

- 69. [Zestful](#)
- 70. [PeopleKeep](#)
- 71. [Bonusly](#)
- 72. [Web Benefits Design](#)
- 73. [ALEX](#)

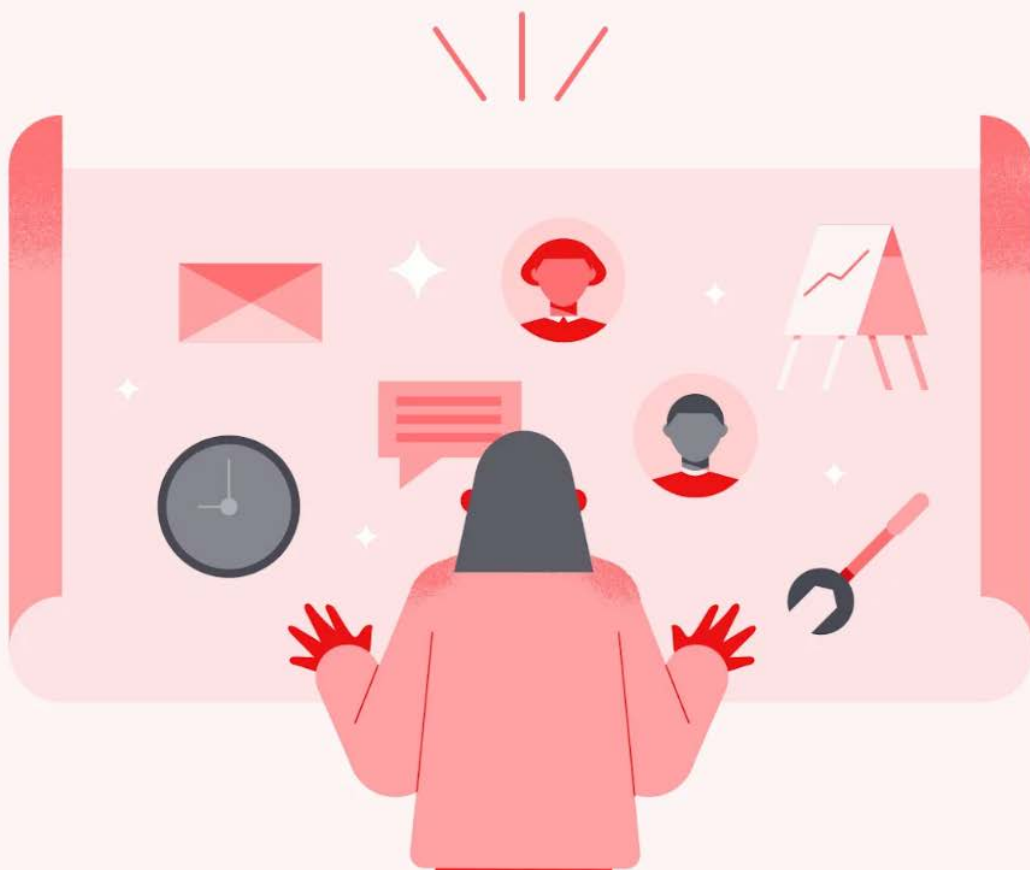
● **HOLISTIC HR TOOLS**

74. [HeavenHR](#)

75. [Leapsome](#)

76. [Personio](#)

77. [OrgOS](#)





HR Tech Trends for 2020 and Beyond

As HR is as prone to trends as any other industry, it's good to have a clue about what's going on in this area. Why? According to many HR experts, like William Tincup or Anna Ott, HR Tech Consultants, keeping up to date with tech is crucial:



Tech innovation is what keeps HR relevant so we need to be on the frontline.

So, what's the next big thing coming down the line in HR tech?



Remote teams

It's one of the biggest trends (if not THE biggest, because it has considerable influence over a lot of other trends) that has been taking the industry by storm in recent years.




More than two-thirds of global employees have been working remotely every week in 2018, and over 50% have done so for at least half of their working week. – International Working Group (IWG) study

The ability to work remotely is quickly becoming one of the most sought-after employee perks, but also quite an administrative challenge—businesses now have to be ready to connect employees in different time zones and take steps to ensure they all have equal learning and development opportunities. On the other hand, it gives employers access to new, previously inaccessible pools of talent while cutting recruitment costs.

● Cloud-based HR

HR platforms in the cloud are the future of resource management. There are already multiple all-in-one HR platforms available, including [the one that used by Buffer](#), that integrate a lot of separate, core aspects of HR management, like payroll, benefits, time management, onboarding, and collaborative software.



Using cloud-based HR software is slowly becoming the norm not only for globally distributed teams. It's much more scalable, so it's great for fast-growing businesses, where it allows HR professionals to work with real-time data.

At the same time, the employee self-service model grants employees better control of their data, benefits, and tasks, while giving companies more effective tools to evaluate their engagement and productivity. There's a clear shift in the industry from using HR software focused on helping HR teams to integrated suites that simultaneously support employees and managers in their jobs.

● Employee wellness focused on mental health

We're seeing more personalized health and wellness systems fueled by employee data. Platforms using gamification and wearables will

continue to grow, but there is a notable shift of focus towards employee mental health. In the US alone, approximately [1 in 5](#) adults experience some form of mental disorder, and companies are starting to understand what that may mean for their overall performance.

“ **Organizations creating the right environment for their staff can have a positive impact on employees’ health and wellbeing, as well as their job satisfaction and productivity levels. — [Forbes](#)**

There are already solutions emerging to address these concerns. One example is [Lantern](#), a mental health startup that helps fight anxiety and depression using digital cognitive-behavioral therapy tools and has partnered with large digital health care providers to offer programs that help people learn to manage their anxiety, stress, and body image.

● Employer branding

This is by no means a short-lived trend, but rather an area organizations have to take a closer look at, if they haven’t already. Technology can help—from growing job boards and company review sites to career sites integrated with HR software and social media. Hyper-targeted social ads with employee stories and job offers help significantly narrow the audience and reach just the right people.

▮ **According to LinkedIn, [72% of recruiters agreed](#) that a company’s brand and reputation have a significant impact not only on the recruitment process, but also on the organization’s bottom line, reducing cost-per-hire, and bringing in more qualified applicants.**

Employee advocacy is a key part of the process of creating an employer brand. Platforms like LinkedIn Elevate or smart connect employees to relevant, personalized content, and help you encourage your coworkers to become true advocates for your organization by sharing their own.

● Enhancing recruiting experiences

HR is increasingly becoming all about the “experience”—whether employee or candidate. One significant development we’re seeing in the field is the emergence of candidate experience platforms, like pathmotion: tools allowing for connections and conversations between employees and outside talent.

And this candidate experience mitigates one of the biggest issues of the businesses today—recruitment.



ANNA OTT

A modern, “consumer grade” experience is nowadays increasingly expected by candidates, job seekers, and even existing employees. This is exactly what organizations can achieve by introducing state-of-the-art technology for talent management. Although the benefits offered by such systems seem to speak for themselves, most organizations continue to approach the idea with considerable skepticism and are slow to devise and adopt a talent strategy.

One technology that is currently seeing broader adoption is, specifically chatbots. A skilled recruiter is able to significantly increase the pace of the candidate screening process with the help of AI. Chatbots bring another advantage to the table, as they can help slash the time the recruiters need to respond to candidate application, and thus create a much more positive experience.



ENRIQUE
RUBIO

Still, in a number of organizations, people answer questions in a one-on-one formula. I'm not saying human contact is outdated, but what's the point in a human employee answering a mundane question about the number of days off, when it could be easily answered by a chatbot in a matter of seconds? I see a lot of value in these areas.

● Learning and development

Because remote work is one of the biggest HR trends, employee training is moving increasingly to the digital realm, a shift which also allows it to benefit from the latest HR Tech innovations using gamification, AI, and AR/VR. Online employee training is basically a must, with the area developing toward personalized, self-paced courses that fit employees' individual learning styles.

Technology also presents a lot of possibilities for individualized career pathing, building multiple career path scenarios based on individual employee potential, identifying skill gaps, and reviewing job competencies.

● Analytics with AI

One noticeable trend is augmented analytics—an approach to data that automates insights using machine learning and natural language generation (no surprise we dedicated the whole chapter to it!).

Experts see augmented analytics platforms as more user-friendly ways to analyze employee data and produce deeper insights.

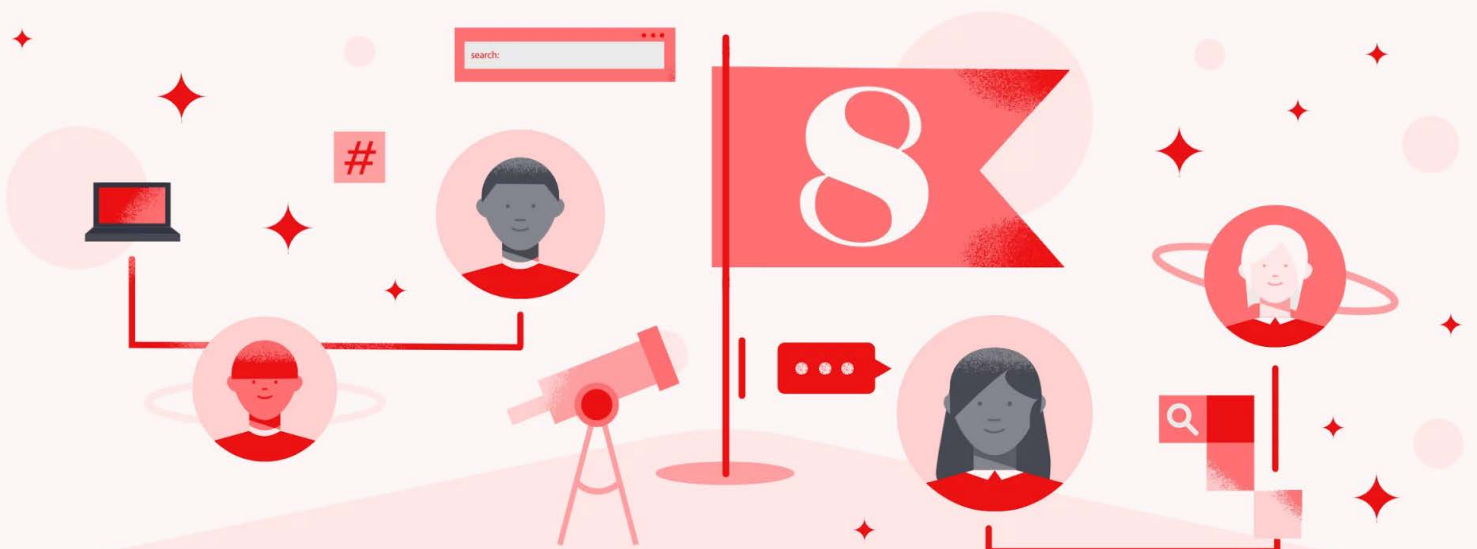
They combine AI capabilities to analyze large sets of data and identify trends or track important metrics. Then, using natural language processing technology, the tools deliver the findings in an easy-to-digest, conversational form.

● Increased data security

Keeping data in the cloud, the increasing use of employee HR self-service platforms, and the shifts in data protection legislation, like GDPR, all mean that robust data security, as it pertains to both candidates and employees, will be a growing concern for HR and a must for software creators.

That's why tech vendors need to find and adopt measures to keep the data that clients trust them with intact and secure, while companies need to put systems and procedures in place to ensure the data is correctly managed and processed.

This will definitely be a dominant trend in the tech industry as a whole, and existing HR solutions will need a lot of reworking to give people more control over their data.





**Opinion
Leaders
to Follow**

HR Tech Opinion Leaders to Follow in 2020



Hung Lee London, UK

Co-Founder & CEO of WorkShape.io,
Curator of Recruiting Brainfood

WHY FOLLOW

- Recent industry news
- HR tech tools reviews

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 /hunglee



Anna Ott Berlin, Germany

HR Tech Expert & Consultant at Calibr8

WHY FOLLOW

- Interesting HR statistics
- Recent industry news

CONTACT INFO

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 /annott



Alexander Pachulski Paris, France

Co-Founder at TalentSoft

WHY FOLLOW

- Employee engagement tips
- Insight on influence of Tech

CONTACT INFO

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 /alexandrepachulski



David Green London, UK

Executive director at Insight222,
Board advisor at TrustSphere,
CEO of Zandel

WHY FOLLOW

- Latest HR tech news
- HR-tech solution analyses

CONTACT INFO

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 /davidgreen

OPINION LEADERS TO FOLLOW





Volker Jacobs  Hamburg Area, Germany

Founder at TI People

WHY FOLLOW

- Employee experience analyses
- HR Tech metrics commentary

CONTACT INFO

-  /volkerjacobs
-  /volker-jacobs





Enrique Rubio  Washington, DC, USA

Founder of Hacking HR,
Co-Founder of Cotopaxi

WHY FOLLOW

- Interesting industry insights
- HR Tech news

CONTACT INFO

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-  /rubioenrique





Philippa Penfold  Singapore

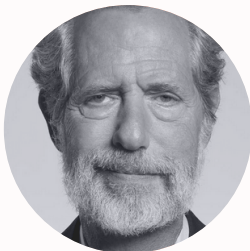
CEO and Co-Founder of People Collider

WHY FOLLOW

- Recruitment strategies
- Lectures and insights

CONTACT INFO

-  /philippapenfold
-  /philippapenfold



Bill Kutik  Westport, USA

Father of the HR Technology Conference,
Host of a YouTube video series "Firing Line with Bill Kuti"

WHY FOLLOW

- Interviews with experts
- News about emerging tech

CONTACT INFO

-  /billkutik
-  /billkutik





Steve Boese  Charlotte, North Carolina Area, USA

Co-Chair of HR Technology Conference,
Host of HR Happy Hour Show and Podcast

WHY FOLLOW

- Podcast recommendations
- Detailed industry advice

CONTACT INFO

-  /SteveBoese
-  /steveboese

OPINION LEADERS TO FOLLOW



Frida Polli, PhD New York, USA

Co-Founder of Pymetrics

WHY FOLLOW

- Hiring process insight
- Successful recruitment tips

CONTACT INFO

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WHY FOLLOW

- Detailed analyses of HR tools
- Industry news commentary

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The Future of HR Tech

Although the HR tech market might seem to be saturated and flooded with all types of apps, there's still room for improvement and room for business ideas to come true. Last year Slack challenged themselves to investigate employees' engagement and productivity. They [asked 1,400 U.S. employees](#) and found out that in the area of communication tools,

30%

Of workers are "extremely satisfied" with their current work communication tools.

76%

Hope to have more communication tools available to them in the future.

So what is going to happen?

- All forecasts for this market's further development are inclined to say that it's going to further **consolidate and expand**, primarily due to increased adoption in the SMB and middle-markets, where buyers are constantly becoming more demanding and looking for sophisticated solutions.
- On the other hand, HR apps and platforms will further specialize in niches defined by characteristics like geography, market segment, industry-focus, job or skill type, or any combination of the above.
- HR tech should definitely be the focus of investors and company owners as it bridges the gap between human resources and technology smoothly, making it one of the most powerful tools in modern organizations.

Anna Ott claims that there's a high probability that soon enough around 50% of the talent acquisition tools will be provided by the growing HR tech market. On the one hand, it's good to have plenty of choices, but on the other, the market is bound to become saturated at some point. However, there are still a lot of areas that are waiting, or even longing for, innovation and improvement.



ANNA OTT

I'd say that two things will be key to the future of work: skill detection and skill development. Right now, time, manpower, and skills are the hottest currency. Sharing know-how and having the capability to develop additional skills quickly is also crucial. Additionally, organizations should always strive to know what skills they have at hand at any given point in time, and then decide what to do with them and how to enable individuals to build up more relevant skills.

The coming year will be an exciting time for anyone who's into flexibility, adaptability, curiosity, and all those things. Every-

one who's keen on acquiring new skills. If that's natural for you as a person, you'll be fine. If it's not really your cup of tea, it will be hard to stay in an organization that tries to stay on the cutting-edge without changing and reinventing yourself all the time.

From a demographic standpoint, millennials and the generations that came after them should be fine, as they're the ones who are currently shaping this shift towards continuous skill-learning.

“ **All in all, it's not just about adopting new things, but also adapting to new conditions. If you have those two things while everything is volatile, you'll have no trouble finding and staying in a job, as well as shaping a personalised career.**



**ENRIQUE
RUBIO**

What could be happening soon is that a lot of HR tech companies will try to get into the same space. Artificial intelligence in recruitment became kind of mainstream. I think HR tech companies will start thinking about how to make themselves stand out from the rest of the market, because the solutions themselves will not be enough. The market is getting crowded and solutions are increasingly overlapping. Some companies will probably disappear faster than others. I still see a lot of opportunities, but we need to be aware of the upcoming market boom.

We are having and will continue to have gigantic people and organizational challenges in the new world of work. These challenges are global in their nature and it's not possible to overcome

them individually. If we continue to see the global HR practice as fragmented as it is today, those challenges won't be resolved. The problems we're dealing with are global and therefore need from a global approach to be resolved.



HUNG LEE

Privacy

We've gotten used to this world where candidate data was cheap and easy to find. Now we're seeing GDPR, big tech organizations like Facebook and Google pulling back and protecting users a lot more. This will have a direct impact on the usefulness of recruitment advertising and tooling.

Diversity and inclusion

We've gone through the initial phase where we need more diversity and inclusion, but we kind of failed to do that. Only now we're trying to understand that this is a lot more complicated topic that we initially had thought it to be. This is going to lead to a lot of political tensions. HR has the responsibility of looking after people and providing organizations with diversity and inclusion.

People Analytics

How can HR better understand how information flows in the business. It's always been something that CEOs wanted to know. The board has been relying on what HR reports back to them. Now we have information that can be directly presented out there. People Analytics is basically about monitoring communication flows within the business. We have the right technology to analyze the significance of each message. It's also called organizational network analytics. You will help companies identify who the true

A-players in your business are and realize that they may not actually occupy senior positions. Some VPs, for example, might be VPs in title only—messages from them may go ignored and they might lack the respect requisite for the position. But how can we know? We don't analyze each others' mailing results.

Changing demographics

In the history of HR, we have always thought and cared about permanent contracts, with insurance coverage and maybe contracts with freelancers. But now we're getting much more diversity in terms of people operating in business and their relations with companies. HR needs to have policies and processes in place to ensure a diverse business network.



ANTHONY
REO

The one that came up during research and in product development feedback is the remote-first approach. A lot of customers come to us wanting real-time, continuous measurement of their culture because they're remote-first. So the challenge for HR is to become acquainted with the remote-first culture and then establish new norms and new red lines. A lot of that happens digitally. How do we promote psychological safety in Slack or resolve conflicts online? It also brings the data question up again. A lot of remote first communication is not just done on Slack but also Zoom, video chat, audio, etc.



CHARLES
AHMADZADEH

Catching up with what changes within your company is the biggest challenge. What worked when you were only ten people probably won't when you're a hundred people strong. Growth like that usually translates to a radical shift in dynamics, which often leads to founders losing much of their control over the culture.

Undoubtedly, HR tech is going to thrive. Lots of new, intelligent solutions and innovative products will enhance further digitization of HR which will positively impact organizations, HR leaders, vendors, employees and candidates.

We are excited for what's yet to come and ready to enhance digital transformation through meaningful software.



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