

# HR THE TECHIE!!

The brave new workplace today presents organizations with challenges that require a new playbook—one that makes HR more agile, forward thinking, actively integrated with business, data driven and bolder in its solutions.



**H**uman Resources by nature is all about people, and as people evolve and technology developing, on a daily basis, the HR function needs to keep pace. Business considerations urgently require HR to embrace new technology quickly

and effectively. The important activities in HR include talent acquisition, employee engagement, talent management and development. Technology can enable these activities to be conducted more timely and efficiently. Largely, HR has somewhat been a laggard in adopting

technology compared to other business functions. Business outcomes depend on the productivity and efficiency of our human capital. Most CEOs and business leaders rate talent as a key priority, but as per a recent survey by a consulting firm, only 28 per

cent people feel their HR is highly responsive and efficient.

HR is moving from service provider to enabler and provider of talent. Most of the traditional HR activities are now outsourced or automated, leaving HR now to spend time on advising and consulting. It is shifting from a generalist function to a specialist activity, which requires this team of specialists to interact through expert communities to enhance and deliver better results. **Some of the recent developments HR needs to keep track of are:**

### 1. Big Data and HR Analytics

Lots of significant data is available today. This presents a huge opportunity to use the data, for predicting trends in attrition, engagement, performance etc.

Globally, 78 per cent companies (employing 1000 and above employees) rated HR analytics as urgent, but only 19 per cent companies felt they were well equipped to handle this as compared to 81 per cent in finance, 78 per cent in operations and 58 per cent in marketing and sales (Deloitte, 2014). Thus HR is still playing catching up in the Analytics arena, though the opportunity is immense.

In today's competitive environment, talent management is one of the major challenges for the organization. This includes the whole value chain from recruiting the right talent to nurturing and retaining it. HR needs to rely on Big Data and Analytics to excel and not just survive as observed by Oracle in their 2013 report.

Studies over the past decade have shown that a judicious use of Analytics in Human Resources can help predict up to 80 per cent of the employee turnover. The profiles of the potential recruits can be tested against the data accessible on various web portals or survey organizations and used to more or less accurately predict the probability of the employee stability in the organization. Similarly, data from employee engagement surveys can be put in to predictive modelling techniques to understand the

corrective measures needed to enhance employee engagement.

### 2. SMAC (Social media, mobility, analytics and cloud)

SMAC is a big buzz word in technology is making waves in HR also.

With the advent of smartphones and accessibility of the internet, the barriers between work and life have been all but eliminated. Employees are "always on"-hyper-connected to their jobs through pervasive mobile technology.

People are continually putting a lot of information on the social media day in and day out. This data can be used constructively for prospective recruits to understand their behaviour outside the workplace. The cons are, you get bombarded with too much information!! Sometimes less can be better. We can get to know a person's lifestyle, preferences, their company, their thought process all through the various posts and updates they put on the social media.

On the other hand, networking tools like LinkedIn, Facebook, enable people to easily monitor the market for new job opportunities. Details about an organization's culture are available at the tap of a screen, providing insights about companies to employees and potential employees alike. Candidates can find open positions located anywhere in the world, and those with critical skills in scarce supply can easily find organizations willing to pay them more money to switch employers, even if they are happily employed. The balance of power in the employer-employee relationship has shifted-making today's employees more like customers or partners than subordinates.

These platforms also help HR in becoming members of relevant social groups which bring people together who have skills that complement the organizations' business.

They can track their ex employees and also track careers of potential future executives.

Since people are basically similar

across different organizations, technology also helps in benchmarking, testing and evaluating its strategies to be at par with others in the competitive marketplace if not a step ahead.

However, HR needs to be more proactive on using technologies. Mobile apps are reshaping expectations and capabilities. For example, possibility exists in creating an app that will enable employees plan their travel, view their performance reviews, and receive information that they need instantly on the go.

### 3. On-demand workforce

With the technologies available today, specialized processes can be easily outsourced to freelancers without any obligations/ liabilities.

The "On-demand workforce" is the new mantra. World economic forum call it "workers on Tap".

Companies are taking a more sophisticated approach to managing all aspects of their workforce, including the hourly, contingent, and



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contract workforce. As the Deloitte trends for 2015 say, today's workforce is no longer a set of employees who come into the office or factory each morning or shift and go home each night.

A recent article published on Economist observed that two powerful forces are speeding up the need for this and pushing it into more parts of the economy. The first is technology. Cheap computing power means that anyone with a smart device can create videos that rival those of Bollywood. Second are the changing social habits. The world is increasingly being divided between people who have money but no time and people who have time but no money. The on-demand economy provides a way for these two divides to trade with each other.

What Henry Ford did to car manufacturing a century ago, today a growing group of entrepreneurs is striving to do the same to services, bringing together technology with freelance workers to supply luxuries that were once reserved for the wealthy. They have unbundled the services to provide you with what you need at when you need it. You do not have to stock or hire. Uber provides chauffeurs. Maidservice supplies cleaners. Foodpanda delivers restaurant meals to your doorstep. Grofers keeps your fridge stocked.

It is even ping-pong on the necessities rather than luxuries. You want a doctor's appointment? Practo is there. Companies like Maruti and Pepsi offer prizes to freelancers to solve Research & Development problems or to come up with advertising ideas. A new service has been created which now offers freelancers of all sorts, such as Flexingit.com, which links up thousands of workers for hire with more than 700 companies across 61 cities.

With the workforce on demand, workers get paid only when they perform a service for the company and are responsible for their own pensions and healthcare, thus reducing the overheads for some of the services.

The on-demand workforce offers



companies the ability to tap into extensive networks of innovators, technical experts, and seasoned professionals. But it also creates new set of strategies to be evolved for HR practices in terms of how to recruit from networks and specialists. How should the HR manage the freelance staff? Should they be trained by the company and goals fixed for them as for the permanent employees? Should they be a part of motivation and engagement efforts? What kind of compensation should be structured for them? On what basis can their performance be measured to avoid differentiation between flexible and permanent workers? Should they be engaged and integrated into the company culture?

These things need to be understood and strategies need to be developed.

#### **4. Data strategies**

HR is also a custodian of a huge amount of employee data. Their performance reviews, leave records, vacation spends, medical bills, etc. This data can be a goldmine of information regarding the employee behaviour in the organization and can be used to engage, develop and predict attrition. However as per a senior Vice President Research in developing leadership in human resources, HR systems are notorious for inconsistencies and inaccuracies in interpreting data. Until the core descriptive statistics are reliable,

using the organization's talent data for planning and prediction is meaningless. To fully realize the benefits, organizations have to move beyond even the structured data they are currently challenged to master, and embrace market and social data from partially structured and unstructured sources.

#### **5. Dealing with the new workforce - Job multi-functionality, a developing trend**

CEOs around the globe fear losing high potential middle managers more than any other role. In a world of scarcity, identify and developing leaders and functional experts at all levels will be critical for future success. Rather than targeting only specific individuals or specific positions, HR needs to look to identify and build talent pools or groups of individuals who can fill a variety of strategic needs.

In the end, businesses need to put their money where their mouths are and get their data houses in order. They should invest in sophisticated data analytics tools and technology that incorporate internal and external sources of information. They need to demonstrate that they value data-driven decision-making. HR professionals need to step up their game. Beyond the typical interpersonal and team-building skills, develop the more sophisticated conceptual and analytical skills that new age companies need. **HC**