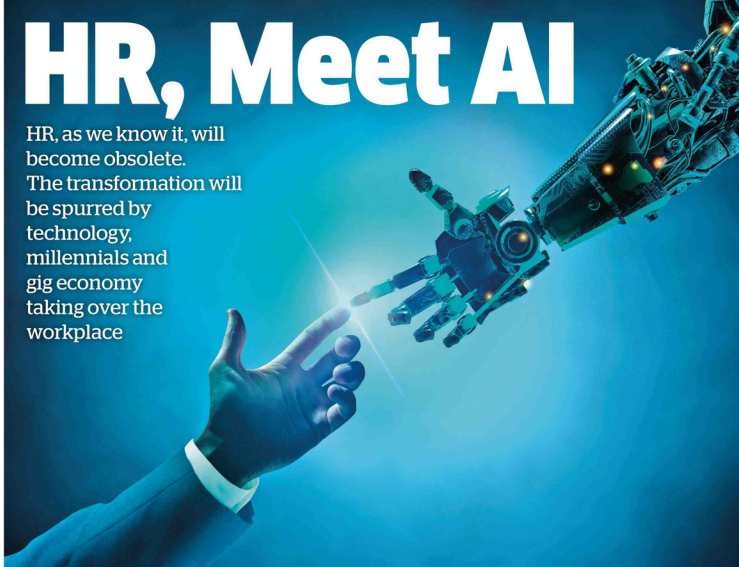# HR, Meet AI

HR, as we know it, will become obsolete. The transformation will be spurred by technology, millennials and gig economy taking over the workplace

:: **Saumya Bhattacharya**

I s human resources (HR) in trouble? Will technology replace people in HR? Will artificial intelligence (AI), machine learning and automation change how it functions – from hiring to managing people? At a time when a Tesla Roadster is hurtling through space, it is difficult to predict the effect of technology. But there are indications that workplace will fast-forward to a future where HR will cease to be what it is.

The transformation of HR is at a nascent stage now. But organisations will soon be forced to adapt and those who do not will lose favour with potential employees. More than a dozen of India's top HR practitioners that *ET Magazine* spoke to say technology is making inroads but HR is not obsolete yet.

Michael Bazigos, MD & global leader for talent and organisational analytics, Accenture Strategy, says: "There is a need for HR to change faster than it did in the past. Many HR leaders are cognizant of this. With technology and big data coming into play, the whole focus is on using experience-based moments that matter for employees, rather than having a very functional, policy-driven view."

Here are a few indications of how HR is changing. Employees in their 40s perceive HR as just a department they have to deal with at the time of joining or leaving an organisation. It lays out processes for performance appraisal, leave policies, internal job openings and celebrations at workplace. There isn't a constant engagement; the connect is more transactional. Over the past few years, this part of transactional HR has been disrupted.

At Mphasis, a Bengaluru-based IT services company, an app called Ask Dexter is key to managing its 22,000-plus employees. The internal, cloud-based chatbot, developed two years back, is doing many HR functions: it resolves employee queries related to leave and company policies. It fields technical support queries and provides simple ways of employee appreciation across all levels of corporate hierarchy. That's not all. It specialises in giving an overview of openings, and jobs that will be created in the future along with the preferred skills for each.

According to Elango R, president, HP Business Unit, Mphasis, this has resulted in an enhanced user experience and improved productivity at the employees' end.

A dynamic chatbot is one of the basic changes happening in how companies practise HR. This is set to accelerate.

## Dear AI, I Am Looking for Opportunities...

HR consultancy PeopleStrong explains it in numbers. Almost 80% of help desk, 55-60% of traditional recruiter's job and almost 20% of HR compliance work has been impacted due to automation. Almost 50% of HR compliance work will be automated if the government continues with its focus on digital agenda, says cofounder Pankaj Bansal.

Not many HR practitioners admit to this, but technology is fast replacing humans in several areas, including hiring. Many see this as an opportunity for HR to reinvent itself as a function critical to business, a role it is ideally perceived to play, but has not been known to very often.

Explains Chandrasekhar Sripada, professor, organisational behaviour and strategic human capital, Indian School of Business (ISB): "All HR functions have two aspects: transactional and transformational. The 'transformational' parts of HR will definitely survive; while we find a new slave in robots to do the transactional work – albeit more intelligently."

Take recruitment. AI can help in parsing and screening CVs far better than humans. Similarly, all parts of HR – compensation and benefits, performance management, talent identification, leadership development, employee relations – now include machine learning and automation.

A host of new-age companies are using AI in hiring and creating successful business models out of this. A three-year-old startup, Belong.co, shows how. It uses AI to cherry-pick potential candidates for companies. Called outbound hiring, this helps in hiring passive candidates.

Its cofounder Rishabh Kaul cites the example of IT services companies that are taking on new projects. "Their usual talent pool is not useful for such businesses. Plus, they are trying to stop losing talent to startups. It's a big opportunity for us." Belong.co helps in hiring for mid-to-senior levels. Belong.co claims it regularly hires for posts with

> **HR will most likely become organisation-agnostic and more individual-specific"**
>
> **Anuranjita Kumar,**
> MD, HR, International Hubs,
> Royal Bank of Scotland

### Hiring
AI helps parse and screen CVs, and does it better than humans

### Performance Appraisal
Technology and data analytics enable assessment of performance in real time. Annual or half-yearly conversations on performance will be passé

### Operations
Chatbots and apps now resolve employees' day-to-day queries, and can also potentially provide tech support. All parts of HR operations now have components that are managed by technology

### Workforce
Millennials, who form the majority of workforce, are pushing companies to get innovative with practices. Large-scale contract employment will make current people policies irrelevant