



IS THE FUTURE OF HR WITHOUT HUMANS?

HR and technology adoption

Automation has been sweeping across many functions in an organization, and the HR function is no exception. Many of the erstwhile manual HR processes are automated today. In fact, employees resort to information portals or chatbots or self-service apps for most of their HR-related queries or requirements. As technology's tentacles spread deep, a question that keeps recurring is the necessity of humans to handle HR processes. I have alluded to the growing influence of technology in two previous points of view: "The resurgence of human capital" and "Reimagining the HR function in the post-COVID era."

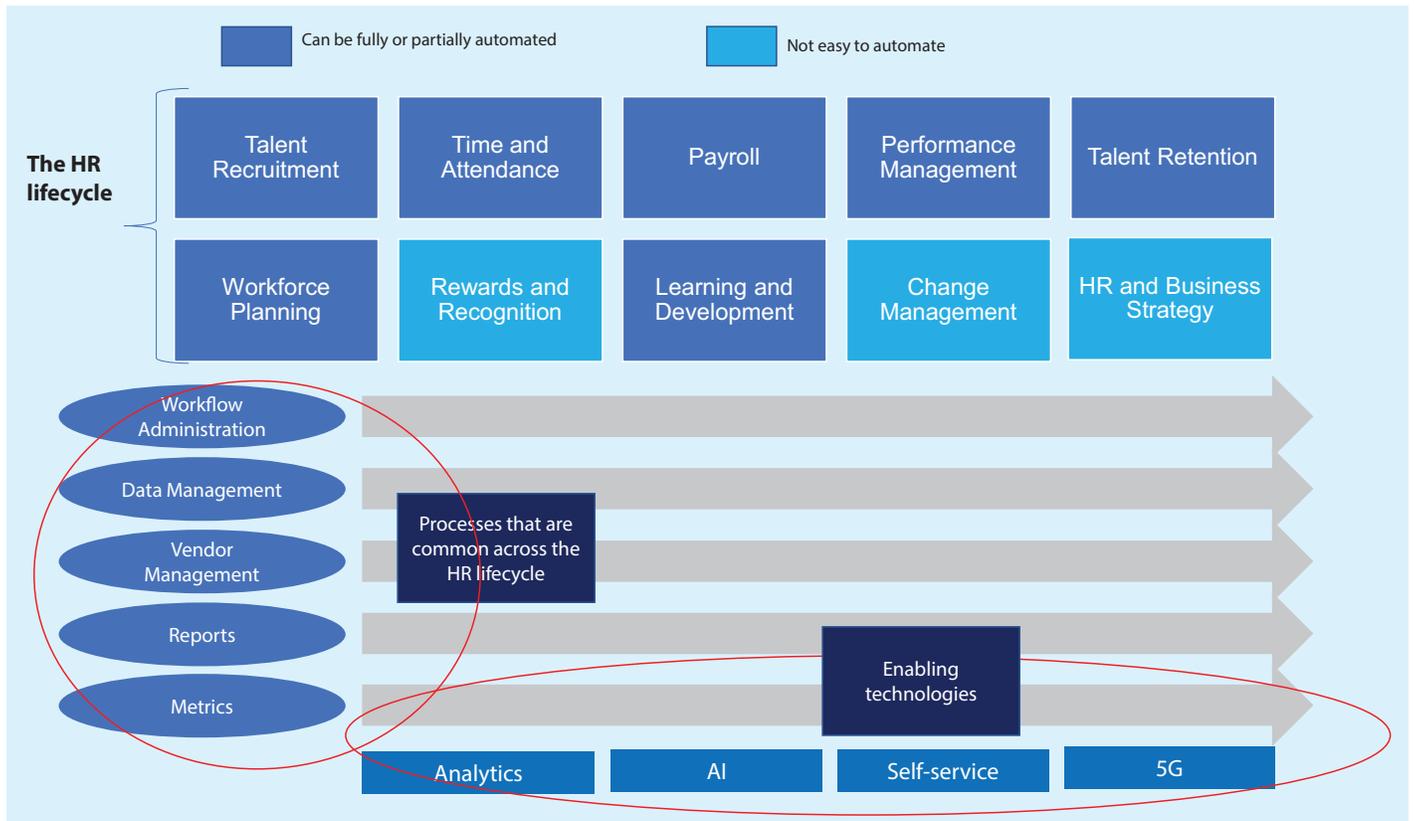


Figure 1: The impact of automation in HR



Technology will lead to a new flavor of HR

As technology percolates deep into the HR function, its influence will have significant ramifications, extending into the operational and strategic spheres.

A look at the operational changes first –

- **Increased technology adoption** – Existing HR applications will become more intelligent through appropriate interventions from AI and deep learning algorithms. It means that it will be possible to self-configure these applications as they become smarter and understand business rules. Already a massive 88% of companies globally use AI in some form in the HR function, according to consulting firm Mercer¹.
- **Improved experience** – As in other areas, delivering an experience that is satisfactory for the user is a priority. Employees will opt for self-service options and prefer to interact with machines eliminating the need for humans. Technologies like 5G and AI will enable visualization of this transformation faster.

The changes at the strategic level are far-reaching. As applications get exposed to more growth opportunities, technology, especially AI, can help them make more informed and data-driven decisions than today

- **The world is still flat** - The virtual working environment has set the stage for a global workforce as more organizations lean on a contingency workforce to help them tide over the current crisis. According to Gartner, over 30% of companies raised the contingent employee headcount to exercise more flexibility and save costs¹. This change will cause the entire employee lifecycle, from recruitment to performance appraisal and succession planning, to acquire a global perspective pushing the boundaries of government control on talent movement and utilization.

- **A leaner and more specialized HR department** – While the function is strategically important, it is possible to wield considerable influence without the responsibility of large organizations in the current environment. HR leaders can expect their organization's size to shrink further as technology takes over more tasks and AI-driven service centers and chatbots perform the operational work. Further, HR resources must acquire new-age skills as the demand for specialized roles rises.
- **Women power** - Running contrary to typical office settings, it is common to see women dominate the HR workforce. Various research reports show that women constitute between 65% - 75% of the HR workforce². Women are perceived to be more empathetic, naturally lending themselves to meaningful leadership roles in HR. With better data crunching and AI support for decision making, it will open more vistas for women to use their empathetic approach in driving HR changes across the board.
- **More pervasive changes** – As job profiles change, governments will introduce more stringent regulations to protect their citizens. They will announce academic regulations to create more relevant jobs, which cannot be replaced by technology.

While technology advancements herald exciting changes and have generated tremendous discussions, they have not

translated to action in a meaningful way yet. Two key reasons have prevented large-scale technology adoption -

1. **The slow pace of technology adoption**
- A 2020 PwC survey on HR technology showed that emerging technologies' adoption is slow. Over 80% of the survey respondents admit to challenges in this area³. Indifferent user experiences and failure to meet user needs and expectations were the primary reasons behind low adoption rates. Consider the case of one of the most promising technologies, artificial intelligence (AI). A Deloitte study indicated that only 12% of companies intend to use AI to replace humans across the organization⁴. The number is likely to be significantly lower in the HR arena. However, adoption is expected to double in a year as businesses realize critical strategic benefits.
2. **Increasing number and complexity of legislation** – Countries worldwide are introducing more rules and regulations to protect local jobs and interests. For instance, the U.S has been issuing periodic legislation to curb immigration, making it increasingly difficult for foreign resources to work in the country. The ongoing pandemic has ensured governments turn more protectionist as they try to limit the economic damage. Trade experts predict that this protectionist attitude will only rise in the future.



Concluding thoughts

In the digital age, HR organizations have an excellent opportunity to rejuvenate and deliver the best employee experience. As the digital ecosystem thrives, enabling technologies such as AI are set to perform at near-human intelligence and effectiveness. HR organizations must adapt to the evolving times, accept that

technology will replace humans in many areas, incorporate these trends and introduce deeper technologies to simulate a human-like feeling.

In this context, it is pertinent to explore the Infosys Live Enterprise, an enabler for digital transformation at scale. It is designed in such a way that it can fast-track an enterprise's digital journey by

catalyzing intuitive decisions, responsive value chains and perceptive experiences. High-performing HR organizations typically aspire for these outcomes.

Therefore, HR leaders must prepare their organizations by enabling human-machine collaboration and achieving superior performance – because that's where the future lies.

About the Author



Jitendra Chakravarty
Industry Principal, Infosys

Jitendra is an Industry Principal with Infosys and has invested 26 years in HR domain and IT consulting across different industries and countries. While he manages SAP SuccessFactors practice globally for Infosys, he also is an active mentor for new breed of consultants, while propagating the diversity mantra in leadership situations. In his spare time, he is an avid reader of short stories.

References

- 1 AI for HR | Challenges, Solutions, and Tips | SAP Insights
- 2 HR is overwhelmingly white and female, data indicates | HR Dive
- 3 2020 HR Technology Survey: Key findings: PwC
- 4 2020 Global Human Capital Trends Report | Deloitte | Press Release

For more information, contact askus@infosys.com



© 2021 Infosys Limited, Bengaluru, India. All Rights Reserved. Infosys believes the information in this document is accurate as of its publication date; such information is subject to change without notice. Infosys acknowledges the proprietary rights of other companies to the trademarks, product names and such other intellectual property rights mentioned in this document. Except as expressly permitted, neither this documentation nor any part of it may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic, mechanical, printing, photocopying, recording or otherwise, without the prior permission of Infosys Limited and/ or any named intellectual property rights holders under this document.