What to Expect: Top 2019 HR Tech Trends

By Dave Zielinski

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In 2019 HR will see growing adoption of "nudge-based" technology designed to encourage productive employee behaviors, more scrutiny of artificial intelligence tools and increased use of specialized "point" systems, according to technology industry experts who spoke with SHRM Online.

The new year also will see organizations continue to transition their core HR systems to the cloud and employ more AI-driven technologies to automate communication between HR and employees.

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Here are the top technology trends experts expect to continue or emerge as HR turns the page to 2019:

'Show Me' Approach to Artificial Intelligence (AI)

HR technology leaders will become more diligent about keeping tabs on vendors' AI tools, experts believe. The increased scrutiny will be due in part to highly-publicized cases like that at Amazon (www.shrm.org/resourcesandtools/hr-topics/talent-acquisition/pages/will-ai-remove-hiring-bias-hr-technology.aspx), where a home-grown recruiting algorithm was found to discriminate against women.

"We will see some push back on machine learning and AI next year [such as] testing its effectiveness and searching for potential bias," said Stacey Harris, vice president of research and analytics for Alpharetta, Ga.-based HR research firm Sierra-Cedar. "With more organizations leveraging machine learning next year, there'll be more data and examples on how any biases might be showing up."

Sarah Brennan, founder and chief advisor of Milwaukee, Wis.-based HR consulting and research firm Accelir, said it's important that buyers of AI tools look beyond vendor promises to ensure they're getting products that do what they claim they can do.

"Don't get caught up in the marketing hype," Brennan said. "Make sure you ask vendors about their validation studies and use cases, because those with legitimate AI applications won't hesitate to provide them."

Sea Change in Engagement Measurement

Organizations are transforming how they measure employee engagement, and technology will continue to evolve to support that shift, experts say.

"We expect 2019 to be the first year that more organizations use nontraditional, technology-based listening techniques than they do the companywide annual survey to measure engagement," said Brian Kropp, group vice president of the HR practice at research and advisory firm Gartner.

That development represents a significant change from just three years ago. In 2015 a Gartner study found 89 percent of medium-to-large organizations were using an enterprisewide annual survey to assess engagement, while only 30 percent were using nontraditional methods like analyzing employee movement data—tracking where employees spend their time via technology embedded in ID badges—or computer usage data that tracks how employees use e-mail, internal collaboration networks, websites and more.

"Companies have become more comfortable with scraping across employees' calendars and e-mails to get a better understanding of current sentiment and organizational culture with the goal of improving engagement levels," Kropp said.

Brennan believes engagement platforms will see the highest adoption rates among all HR technology categories next year. "For the first time there are good engagement technologies available for companies of all sizes and at all price points," she said.

Rise of 'Nudge-based' Technologies

Kropp said HR technologies that suggest certain behaviors will grow in popularity in 2019. One such technology can monitor employee activity at a computer workstation. "It might send a message saying, 'You have been at your desk for X amount of time and it appears you're losing focus, so now might be a good time to get up and go for a short walk,' " Kropp said.

An example is Cultivate, software works as a digital coach for managers. It analyzes data from e-mail, internal collaboration systems and calendars to assess how managers spend their time interacting with direct reports. The tool then uses machine learning to give managers suggestions for how they might improve their team's performance, such as spending more time with certain employees.

Rachel Ernst, vice president of employee success at vendor Reflektive, said there's also an ongoing movement to embed performance management within the flow of daily work.

"The technology can now send automatic nudges to managers to remind them to give feedback to employees as well as deliver short videos to provide guidance on how to conduct review discussions or give effective recognition," she said. "This keeps HR from having to send regular e-mail to managers to remind them of these essential tasks."

Growing Importance of the HRIT Role

Sierra-Cedar's 2018-2019 HR Systems industry survey found the role of the human resource information technology (HRIT) specialist is growing in strategic importance and Harris expects that trend to continue. In cloud environments these roles are 1.5 times more likely to be responsible for data security and technology configuration decisions than IT or functional roles, the survey found.

Harris said that it's important for the HR staff to have specialized IT roles, even as other functions like finance or marketing don't, "because HR touches everyone in a company and HR deals with more data privacy and integration issues than most other disciplines in the company."

Faster Migration of Core HR Systems to the Cloud

A 2018 study from PricewaterhouseCoopers (PwC) found that 75 percent of surveyed companies now have at least one HR process in the cloud. Forty percent have core HR systems like an HR management system there, said Dan Staley, a global HR technology leader with PwC. Another 26 percent of respondents said they planned to move a core system to the cloud in the next one to three years.

"Moving a core system to the cloud is a barometer of how serious organizations are about that technology," Staley said. "Large organizations with complex requirements like international payroll or union populations have resisted moving core systems to the cloud in the past because they felt the technology wasn't mature enough. But with cloud products having proven themselves over the past decade, companies are now moving there en masse."

Renewed Interest in 'Point' Solutions

More organizations will consider adding "point" or specialized technology solutions to their portfolios in 2019. These systems address individual areas of HR like recruiting, performance management or engagement and are often the target of innovation from small or emerging vendors. Brennan believes popular ones will be talent acquisition systems, chatbot applications for recruiting and answering employees' HR-related questions, and engagement platforms.

"Few of the full-suite vendors have invested in the talent acquisition portion of their suites in the same manner as point system providers," she said.

Point systems can now be more quickly integrated with broader talent management suites by using application programming interfaces (APIs). "Integrations that used to take six to nine months now take six to nine days with the right APIs," Brennan said.

'Push' Recommendations from AI

The accelerating application of AI to workforce data will allow relevant information to "find" employees at the point of need, experts say. Cristina Goldt, vice president of HCM products at Workday, said AI will enable simpler navigation of learning and development options as well as easier execution of tasks like onboarding, benefits selection and IT service ticketing.

For example, Goldt said, a newly-promoted sales manager might benefit from this type of AI by being "pushed" recommended learning content for leadership training, suggested workplace connections and a list of potential mentors that went through similar transitions; a set of onboarding tasks that direct her to set up sales targets, enter forecasts and review the pipeline in a customer relationship management system; and a snapshot of team members to help her get to know them better.

Learning, Performance and Career Planning Converge

Vendors in the learning, performance management and career planning markets will "play more in each other's spaces," said Dani Johnson, co-founder and principal analyst of Red Thread Research, a HR research and advisory firm in Salt Lake City, Utah.

"We're seeing more learning vendors get into performance and more performance and career vendors operate in the learning market," Johnson said. "One reason for the convergence is it's hard to develop someone effectively unless you already know where they stand in regard to their performance and career plans."

Johnson said there's also a growing number of content-based point solutions in the learning market designed to integrate with internal communication platforms like Slack. "It's about taking learning to employees rather than make them come to the learning," she said.

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