

12 HR TECHNOLOGY CAPABILITIES THAT ARE CHANGING THE INDUSTRY

Talent management processes are about effectively recruiting, developing, evaluating, rewarding, retaining and otherwise maximizing the engagement and contribution of all employees. The role HR technology plays in achieving this has never been more prominent than it is today.

Eight to ten years ago, HR tech processes were automated but disconnected, analytics were available only to expert users through separate tools, different talent strategies per workforce segments were just a vision, and user experiences were anything but engaging.

Things changed roughly six years ago, when the two largest talent management software players, SuccessFactors and Taleo, got acquired by the two biggest HR-ERP or HRMS vendors, SAP and Oracle. This certainly opened up HR tech vendor R&D budgets to continue innovating outside of employee life cycle transactions.

Another innovation catalyst was capital infusions (via IPO, private equity, etc.) at leading talent management suite providers, like Cornerstone OnDemand, PeopleFluent, SumTotal Systems (now part of SkillsSoft), Saba, Halogen Software, Silkroad, etc.

These factors, plus newer HR tech market entrants and continued momentum at mid-market players or payroll/workforce management-focused companies like Ultimate Software, ADP, Ceridian, Kronos and Ramco, lifted the market in terms of many higher-impact “TM” capabilities.

Yes, it can finally be said that talent management technology has reached maturity! So what are some of the newer talent management technology capabilities that have impressed us?

TALENT ACQUISITION Marketing, Branding, Sourcing, Assessing, Onboarding	PERFORMANCE MANAGEMENT Goals, Objectives, Rankings, Plans	LEARNING & DEVELOPMENT Training, Dev, Certifications, Content/Knowledge Management
COMPENSATION MANAGEMENT Pay Ranges, Evaluation, Rewards, Incentives, Modeling	ONBOARDING Compliance, Culture, Readiness	TALENT PROFILE Competencies, Skills, Experience, Goals, Objectives, Languages, Awards
SUCCESSION MANAGEMENT Reviews, Assessments, Ranking, Development	CAREER MANAGEMENT Development, Coaching, Mentoring, Mobility	EMBEDDED TALENT MANAGEMENT ANALYTICS Gaps, Plans, Identification, Reports

12 CAPABILITIES MAKING A DIFFERENCE IN THE HR TECHNOLOGY SPACE

1. **Year-round coaching** can now be part of the performance management and improvement model.
2. **Personalized rewards and retention schemes** allow investments in employees to have maximum impact.
3. **Culture fit** and team fit can be added to the assessment of candidate and employee suitability.
4. **Gamification** is among the newer “hooks” that don’t just find but actually engage candidates. Engaging candidates, particularly passive candidates, is a winning recruiting strategy.
5. **Job simulations** have also been added to the recruiting toolkit, which not only helps with assessing candidates but allows candidates to realistically decide if they want to pursue a job with specific challenges. These can now be experienced, not just discussed.
6. **Video interviewing**, which may include embedded predictive capabilities, is now dominating the talent recruitment space.
7. The video medium is also getting widely adopted in learning, including **video on-demand learning and social learning**.
8. **Social network analysis** is the ability to identify who influences whom within the organization. This capability helps with change management, as knowing the “influencer nodes” is key.

9. **Sentiment analysis/climate measurement** – using algorithms against unstructured data in emails, for example (in the aggregate, not at the individual level, as that would breach privacy regulations) – is quite valuable in keeping a finger on the pulse of employee engagement.
10. **Gig economy management** empowers employers to manage non-employees and contractors – who often serve as an extension of the workforce – just like traditional employees, when appropriate.
11. **Career pathing**, a capability offered mostly by niche HR tech vendors, enables employees to work with their manager in progressing their careers. The system analyzes which job roles lead to other roles, how long the process might take, what skills might be leveraged, etc.
12. **Prescriptive analytics** can now guide managers about what actions to take to dissuade key employees from leaving, among other things.

INTEGRATED TALENT MANAGEMENT

The 12 trends above are parts of the bigger theme emerging in talent management technology: integrated talent management. Analyst firms like Bersin & Associates (now owned by Deloitte) have published research showing that when talent management processes, technology components and – less we forget – teams or departments within HR functions are meaningfully and integrally linked, the business impact is often dramatic. Focus areas such as employee retention and employee productivity (e.g., revenue per employee) are noticeably higher in organizations that achieve a high degree of talent management integration.

TECHNOLOGY IN ACTION

When the same core and leadership competencies are used to hire, evaluate and develop employees, a foundational level of integrated talent management has been established. Then, when the outputs of one process, such as performance management, automatically become inputs to other processes, like learning & development and succession planning, a greater level of talent management integration can drive major efficiency gains.

MEET THE EXPERTS



Mark Rieder, SVP

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Mark joined NFP in January 2010 to launch the company's national benefits administration practice, which supports more than 100 brokering and consulting offices throughout the U.S. Since then He has expanded the practice area to provide HRIS consulting services through its newly formed HR Services division. Most recently Mark has played an integral role in the development the NFP Marketplace, NFP's exchange solution. Before joining NFP, Mark spent the previous nine of 17 years in the employee benefits industry as CEO of a leading employee benefit consulting firm based in the Philadelphia area. Mark has a bachelor's in finance with an emphasis in economics from The Pennsylvania State University.



Steve Goldberg

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Steve's 30-year career on all sides of HR process and technology has included senior-level practitioner, product strategy and industry analyst roles. He also co-founded a recruiting software company and a boutique consultancy focused on HR change management and analytics. In recent years, Steve has advised dozens of end customers and HR solution providers. He holds an MBA in HR, is widely published and has keynoted at many industry events.