

INTELLIGENT HR

Intelligent Automation Best Practices within Human Resources



This is part of a series of research studies by [Content Results](#) and underwritten by [Hyland](#) on the adoption of [Intelligent Automation](#) technologies within key horizontal business processes – like HR, Finance and Accounting, and Marketing – and also within selected

vertical industries – like finance, manufacturing, and government.

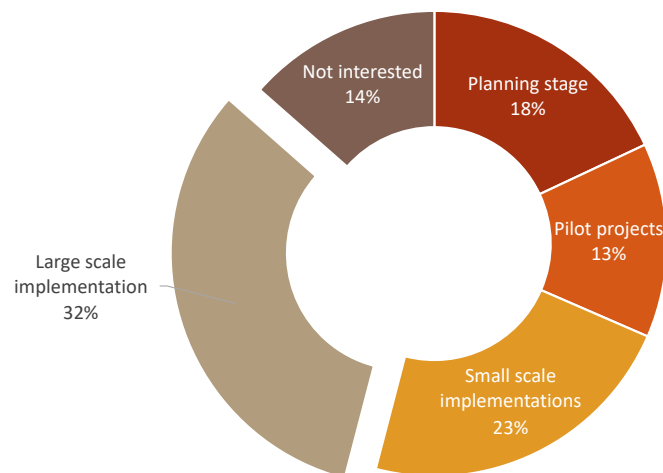


SURVEY BACKGROUND

The survey providing the basis for this eBook was conducted in late November 2020. The goal was to probe how intelligent automation – particularly Robotic Process Automation, or RPA – is being used within core [Human Resources \(HR\)](#) processes, to understand where those efforts are targeted, and to document the results that are being achieved. A total of 116 senior HR professionals with decision-making authority from organizations with over 100 employees were surveyed.

From these, 100 executives were identified who have 1) already deployed RPA/Intelligent Automation capabilities within Human Resources or 2) plan to do so within the next 12 months. It is clear that RPA is a relatively “greenfield” technology within HR, with much upside potential. [14% of the organizations surveyed do not yet even have RPA on their radar screen, and an additional 31% are in the planning or pilot stages.](#)

Specifically within Human Resources (HR) processes, how would you describe your organization's current adoption of Robotic Process Automation (RPA) technologies?



We also asked participants to evaluate the overall effectiveness of their HR processes relative to their peer group. 58% of the participants believe their processes are “above average” relative to their peers; 42% say they are “average” or “below average.” The purpose of this question was to allow us to compare and contrast different levels of HR competence.



THE STRATEGIC IMPORTANCE OF HR

It is obvious that 2020 was a year of incredible challenges for HR professionals. As the [Forbes Human Resources Council](#) notes, “To say the field of human resources has gone through a few changes in 2020 is somewhat of an understatement. HR has gone through a sweeping transformation that has turned it into something better and more efficient at meeting the modern workforce's needs.”

Five years’ worth of change has occurred in a single year in terms of where people work, how they collaborate, how talent is found and retained, and the technologies used to support all of this. The Forbes Council describes [13 key trends facing HR professionals](#):

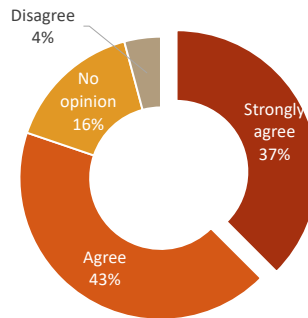
1. Bigger focus on diversity, equity, inclusion
2. More organizations speaking on social issues
3. Heightened interest in workplace culture
4. Improvement in workplace technology systems
5. HR leaders as culture champions
6. Changes in employer-sponsored health plans
7. Continued caution in hiring
8. Growing importance of working from home
9. A focus on mental health and well-being
10. Improvement of employee experience
11. More focus on the remote work experience
12. More importance of learning and development
13. A greater Focus on the human element

If HR professionals are to succeed in addressing these challenges, they must elevate their game and find ways to escape the mundane and rote tasks tied to running an HR department that create cost, reduce efficiency, frustrate employees, and are prone to error. Traditionally, HR is thought of as just a cost center; leading organizations view it as the means by which the value of their human capital is maximized. The key to turning these aspirations into reality is automation – [intelligent automation](#).

The rising strategic importance of the back office...

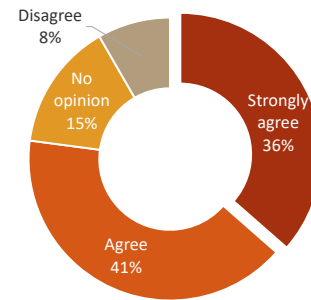
For strong performers, HR emerging as a strategic function.

"Employee engagement is key to our Digital Transformation strategy."



Above average – “Strongly agree” = 47%
Average or below – “Strongly agree” = 24%

"The HR function is much more critical to our success than it was two years ago."



Above average – “Strongly agree” = 47%
Average or below – “Strongly agree” = 22%



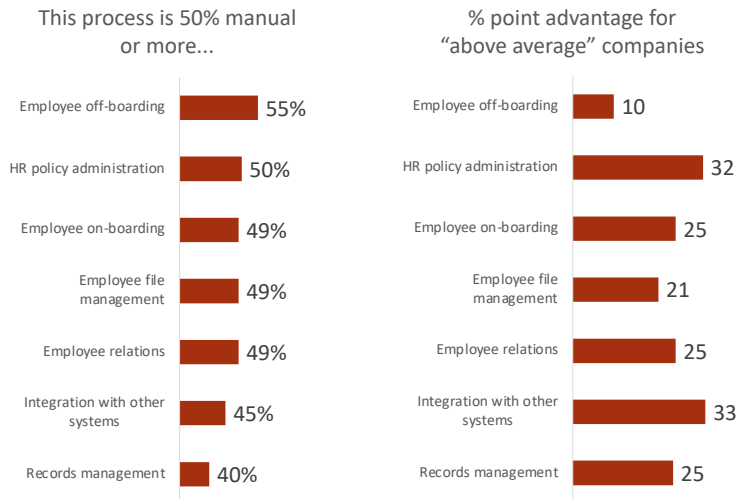
THE CURRENT STATE OF HR AUTOMATION

We focused the survey on understanding automation within 7 types of HR processes:

1. **HR policy administration** – create, distribute and track acknowledgement of critical policies.
2. **Employee relations** – create structured investigations with complete access to all relevant information surrounding issues.
3. **Employee file management** – remove frustrations and risks associated with paper and get instant access to employee information
4. **Records management** – manage complex time and event-based document retention policies.
5. **System integration** – create a central repository for unstructured content that integrates with dedicated HR systems.
6. **Employee on-boarding** – automate the organization’s new employee processes and complete everything on the employee on-boarding checklist.
7. **Employee off-boarding** – automate the organization’s termination processes and complete everything on the employee off-boarding checklist.

There is significant opportunity for automation across all of these core processes; **typically, over 50% of organizations report that each of these processes is 50% “manual” or more.** This is a recipe for unnecessary cost and errors. In some processes – for example employee off-boarding – errors and omissions and process irregularities can be particularly risky.

How would you describe the degree of automation that currently exists in each process?



Manual processes are the norm rather than the exception in organizations with HR processes and systems that lag behind their peers. The day in and day out impact this has on overall business efficiency, costs, and productivity is significant. The result is a reliance on many rote and repetitive integration processes that must be performed by knowledge workers – processes for which RPA tools are ideal.

As organizations approach this automation challenge and consider the use of RPA tools to help fill in the process gaps *between* systems, a key challenge is the huge volume of unstructured and semi-structured information (i.e., content!) that tends to surround HR processes. This includes documents, jpegs, emails, conversations, images, forms, text messages, application files, audio files, video files, and information in countless other forms.

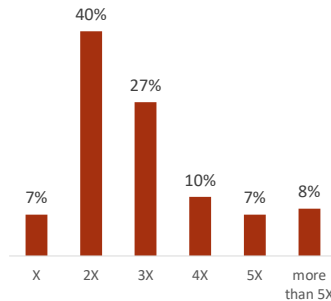
On average, if the volume of information currently flowing through HR processes is assumed to be “X,” organizations expect this volume to rise from *X to 3.1X in just the next two years*. They further expect that *63% of this information will be content rather than data*. This poses challenges for fully optimizing many RPA engines. If organizations expect to use RPA technologies to their fullest potential, they must also solve the unstructured information problem – they must turn their unstructured information into *machine-comprehensible data*.

As organizations embrace technologies like RPA that can revolutionize how they automate HR processes, *they must at the same time automate the processing of the unstructured and semi-structured HR information that fuels these processes*. Organizations that have already gone down the RPA path understand this – they are markedly more aware of the challenges posed by unstructured information than those who have yet to adopt RPA. Best practice dictates that these capabilities should be addressed in *parallel*.

The “content” problem in HR has yet to be solved in most organizations.

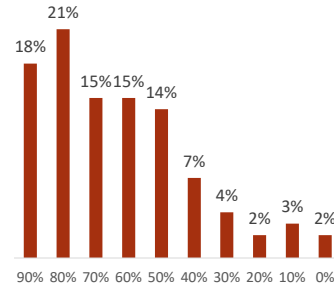
If the total volume of HR information assets that must currently be managed is X, what do you expect it to be in two years?

On average, an increase from X to 3.1X



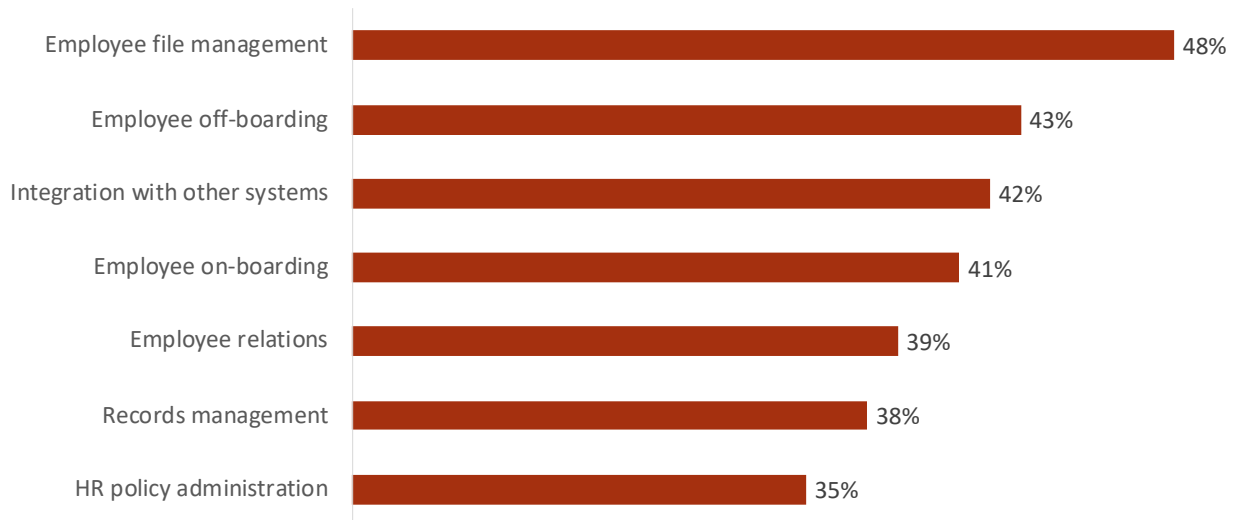
What would be your best guess for the percentage of all HR information assets that is UNSTRUCTURED INFORMATION?

On average, 63% is UNSTRUCTURED.



Even a single HR process that seems straightforward – like onboarding a new employee – is usually engulfed by reams of paper, repetitive processes, and manual checks and cross-checks. As frustrating as these processes can be to HR staff, they are even more so to the new potential employees on the other end, who frequently go from the excitement of a hiring decision to the mind-numbing repetition of manual onboarding processes. And manual onboarding processes create a downstream drag on the productivity of the hiring department, who likely care less about “HR processes” than they do about quickly adding new resources to the team.

How big a problem is the management of unstructured information in each of the following major HR processes? (% answering "a big problem" or "a problem")



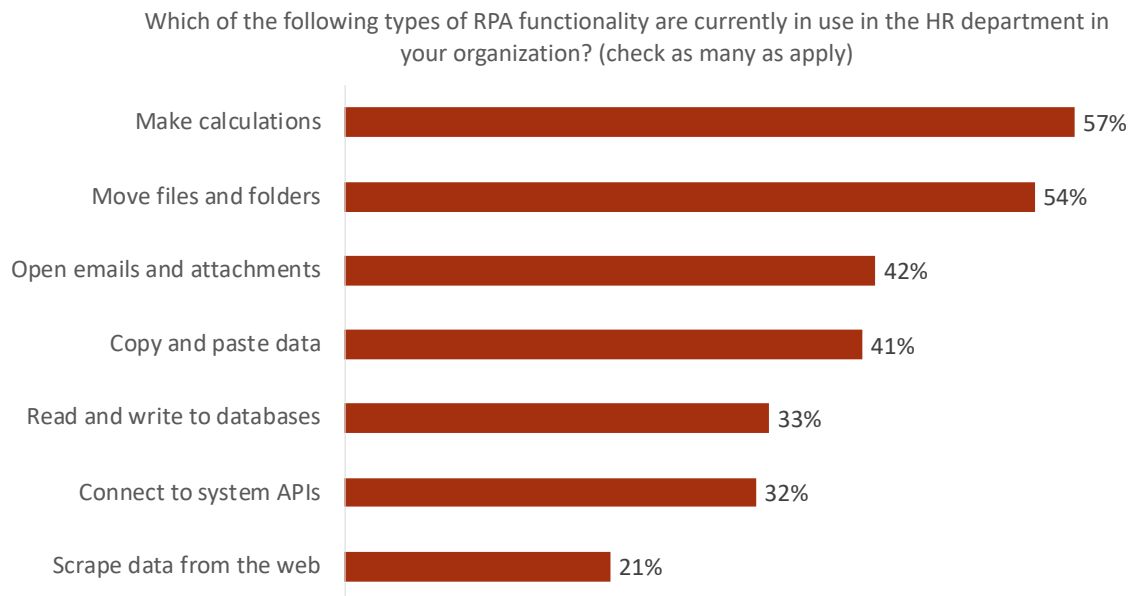


USING RPA TO DRIVE INTELLIGENT HR

When viewed strategically, HR is actually not one process, but a series of connected processes with overlapping information requirements. The weakest areas for organizations are typically areas in which HR professionals spend a disproportionate amount of effort as “human system integrators” as they struggle to overcome the challenges posed by unstructured documents and overly rigid legacy systems.

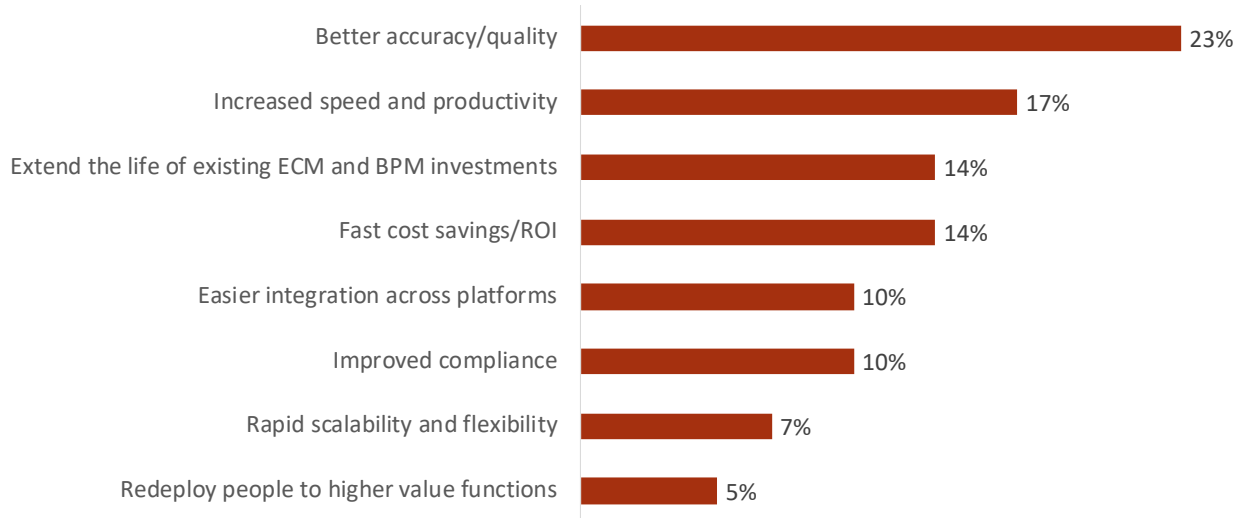
These are tasks for which Robotic Process Automation is ideal.

As is the case with many new technologies, there currently is a great deal of hype about exactly what RPA is – and what it is not. The name itself, *Robotic* Process Automation, sometimes seems to imply some sort of walking and talking robot, when the reality is that RPA is software that *augments human effort and provides a way to automate repetitive rules-based tasks*. All of these are great reasons to deploy RPA.



Of course, all of the above repetitive rules-based tasks are not the end, but rather the *means to an end*. This sense of a higher potential value proposition for RPA is reflected in the fact that 40% of organizations believe that RPA can not only address tactical tasks, but also improve HR process accuracy, quality, speed, and productivity. In addition, RPA can help extend the value and life of existing ECM and BPM investments, a critical factor in budget stretched times.

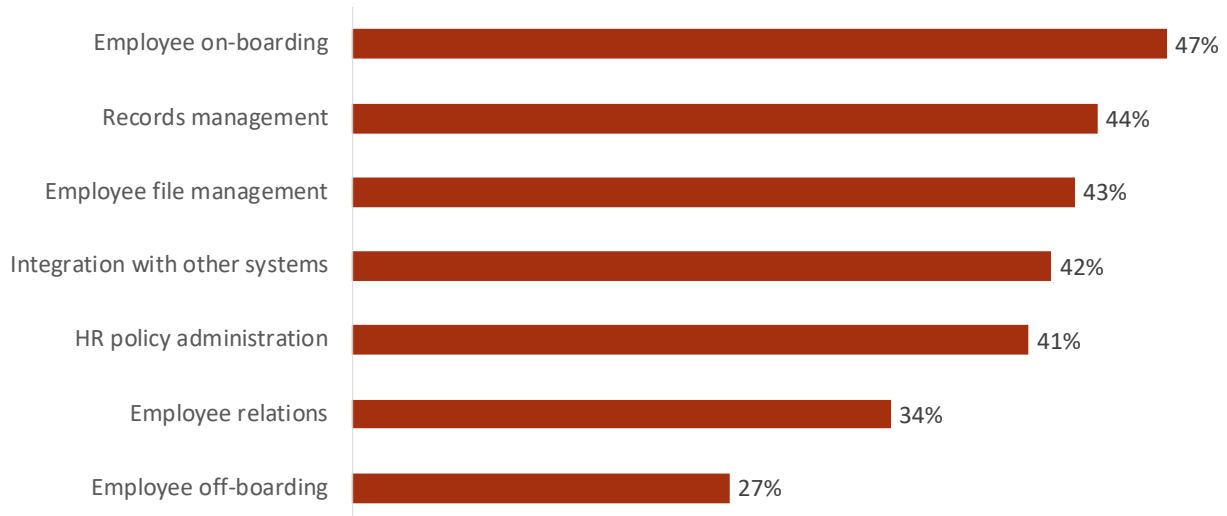
Which of the following reasons to use RPA technologies in HR processes is most important to your organization?



To truly understand the revolutionary impact of RPA, organizations need to look at RPA not as a replacement for existing systems – many of which are mission critical and difficult to disrupt – **but as a way to complement and leverage these systems.**

1. RPA helps fill in the process gaps that continue to exist in HR processes – gaps that must currently be filled by manual and repetitive workflows.
2. RPA allows organizations to extend the life of their legacy process platforms and better optimize these platforms – in essence, allowing organizations to modernize with a minimum of disruption.
3. RPA allows organizations to move their HR functions – and the people responsible for them – to a higher value plane.

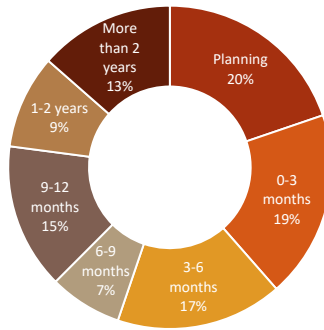
In which of the following HR functions are you currently utilizing or plan to use (in the next 12 months) RPA technologies? (check as many as apply)



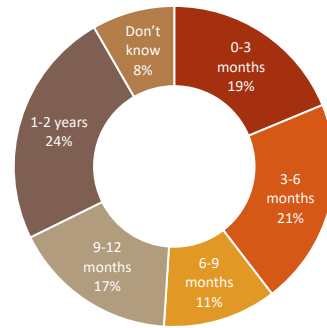
RPA is a new technology for most organizations – 56% of those interested in deploying the technology are either still in the planning stages or have had the technology in place for less than 6 months. At the same time, expectations are high – 40% expect RPA investments to pay for themselves in 6 months or less.

RPA is a new technology, with high expectations for rapid ROI.

How long have you been using RPA technologies?

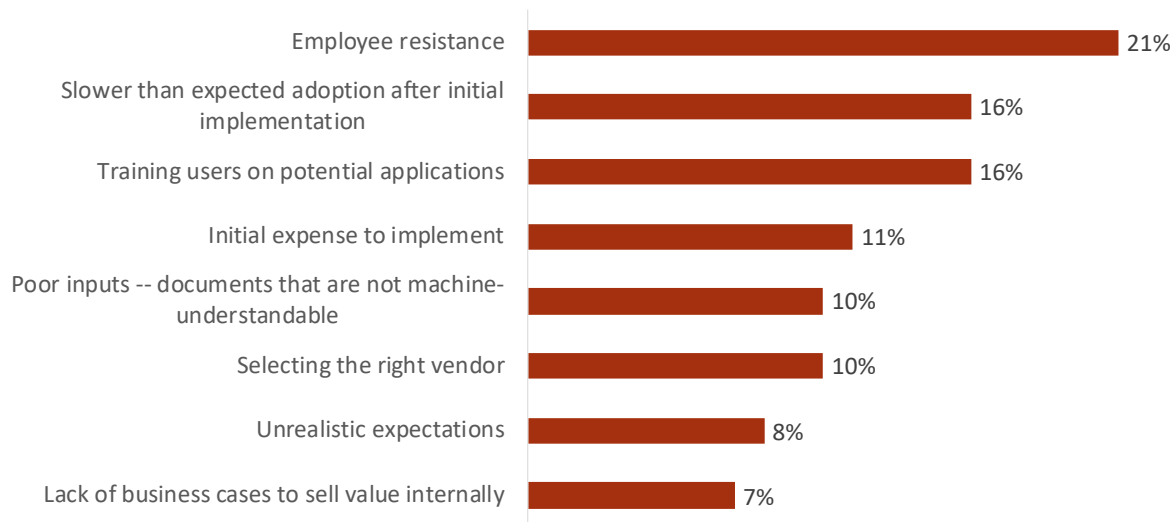


What is your best estimate for how long was it before the use of RPA technology and bots paid for itself (or will pay for itself if not yet there)?



This creates an environment that *can* – but not necessarily! – lead to frustration with the speed of deployment and how quickly users embrace the technology. This means that early user engagement and deliberate change management – always important in any enterprise initiative – are especially important in an RPA deployment.

What do you see as the MOST SIGNIFICANT RPA implementation challenge in HR? (Please pick one.)

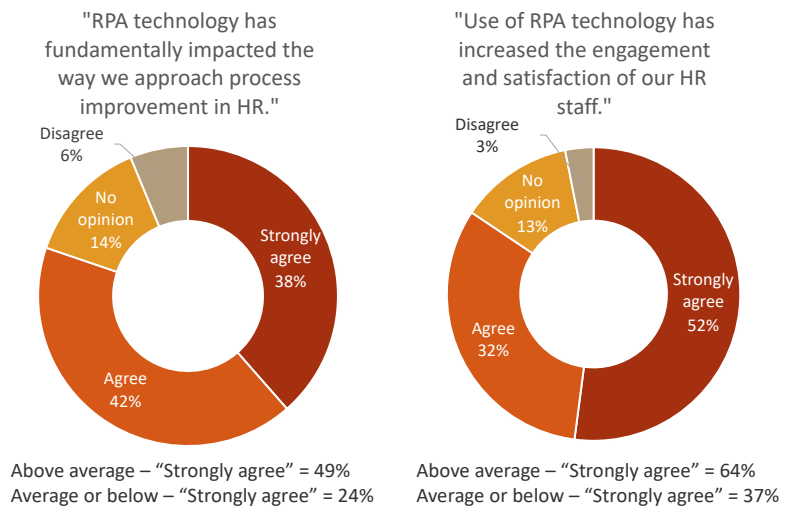


Lastly, many RPA proponents have asserted that the value in the technology extends beyond cost and head count savings. The data suggests that organizations understand this connection, both from the perspective of rethinking how processes are structured and the engagement of employees. 81% of those

surveyed agree, “Use of RPA technology allows HR professionals to spend more time on activities that create value for the company and its employees.” The path that organizations take to realizing this value begins by tackling those core HR processes that typically have a wide footprint in organizations (like wage and salary information, wage garnishments, formal discipline, job-related medical records) and then moving on to more focused processes.

Lastly, RPA is a transformative technology, both to processes and employee engagement. Over 80% of current and prospective RPA users in HR say that RPA has: 1) fundamentally impacted the way they approach process improvement (80%); and 2) increased the engagement and satisfaction of their staff (84%). Among those who say their HR operations are “above average,” the feeling is even stronger.

RPA is a transformative technology – both to processes and employee engagement.





ABOUT THE AUTHOR

John Mancini is the President of Content Results, LLC – <http://www.contentresults.net> – and the Past President of AIIM. He is a well-known author, speaker, and advisor on information management, digital transformation and intelligent automation. He was recently named a *Robotic Process Automation Expert to Follow* by TechBeacon.com and to Onalytica’s *Who’s Who in RPA* influencer list.

John is a frequent keynote speaker and author of more than 30 eBooks on a variety of information management topics. He can be found on Twitter, LinkedIn and Facebook as @jmancini77. Recent keynote topics include:

- The Stairway to Intelligent Automation
- Navigating Disruptive Waters — 4 Things You Need to Know to Build Your Intelligent Automation Strategy
- Getting Ahead of the Digital Transformation Curve
- Viewing Information Management Through a New Lens
- Digital Disruption: 6 Strategies to Avoid Being “Blockbusted”



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