

# Where Will HR Be in 2025: From AI to the Multi-Generational Workforce

A look ahead to the future of HR and how technology can help organizations stay in front of shifting trends.



**NAKISA**<sup>®</sup>



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**“One of the biggest opportunities for HR in the next several years is learning to leverage data and harness the power of AI, predictive analytics, and behavior economics. These disciplines, which are now well underway in most companies, will become vital sources of insights for CHROs and other C-level executives in the coming years.”**  
– Josh Bersin, *What Does the Future of HR Look Like 2018*.

It's no secret that technology is changing the role of HR. Over the last decade, the explosion of social media, the ability for organizations to easily gather and use people data, and the changing expectations of an increasingly younger and more connected workforce have transformed the traditional priorities and processes of HR professionals.

That transformation shows no signs of stopping over the next decade.

The 2018 Deloitte Global Human Capital Trends survey identified ten key HR trends facing organizations today and in the near future:

1. Top executives must find ways to work in harmony both as a team and as leaders of their own teams.
2. A growing workforce economy will include a larger number of contractors and gig workers outside the enterprise.
3. Employees are looking for more personalized, agile, and holistic reward systems.
4. Employees are more concerned about individual experiences rather than a strict career ladder.
5. With longer lifespans, organizations are developing new career paths for older workers.
6. Corporate citizenship and social impact are increasingly important parts of HR strategy.
7. Employees are demanding expanded benefits including programs for physical, spiritual, mental, and financial health.
8. AI, robotics, and automation drive demand for more specialized skills.
9. Workforces are becoming hyper-connected even when they don't work in the same spaces.
10. Increasingly available people data provides more opportunities for engaging employees and more potential security and organizational risks.



# Millennials and the Employee Experience.



**“Millennials will make up more than 50% of the global workforce by 2020—and even higher in technology and high-growth industries.”**

– PwC, *Fast Takes on Talent Innovation: The millennial workforce, 2017.*

As millennials continue to take over the workforce, they bring to it a new vision of what a career is and how organizations should engage their employees. At the heart of this vision is an emphasis on unique employee experiences, rather than traditional, rigid career trajectories. Technology is a major driver of this new vision of work. Most millennials don't remember a time without the internet or mobile devices. They expect the flexibility and connectivity they've known all their lives to be a major part of their work lives as well.

To address workers' shifting priorities organizations are increasingly focused on creating environments that address employees' physical, social, emotional, professional, and financial needs as one holistic experience, instead of the traditional HR approach of creating individual programs or strategies for each need.

## Important Questions About the Employee Experience

As your organization and HR team prepare for the workplace of the future, here are few important questions to ask:

- ✓ Are we effectively utilizing people data to make important organizational and personnel decisions?
- ✓ Are we prepared for an increasingly multi-generational workforce and the changing priorities of millennials?
- ✓ Are we utilizing the collaborative potential of social media and messaging technology?
- ✓ Are we streamlining the hiring process by using the most cutting-edge automation technology and AI?





# Employee Experience in Action

Key workforce trends according to EY:



Global working population expected to **increase by 485 million** between 2017 and 2027



Millennials will be **75% of the workforce** by 2025



**82% of millennials** say that workplace technology would influence their job decisions

To address all of the challenges that come with a more global and multi-generational workforce and create a holistic employee experience, HR teams are using technology to:



Provide work environment flexibility through work-from-home and remote office programs



Prioritize transparency through increased organizational data sharing



Boost communication through social media and messaging apps



Utilize people data for recruitment, employee engagement opportunities, and organizational strategy



Improve advancement and training opportunities for all employees



Automate traditional HR functions like employee screening and recruitment through increasingly advanced AI

## Employee Experience Spotlight

Nakisa's Hanelly organizational design solution integrates with organizations' HCM platforms to provide important real-time workforce data to fully understand areas like diversity initiatives, organization structure and full-scale business reorganizations.





## A Vision of the Future

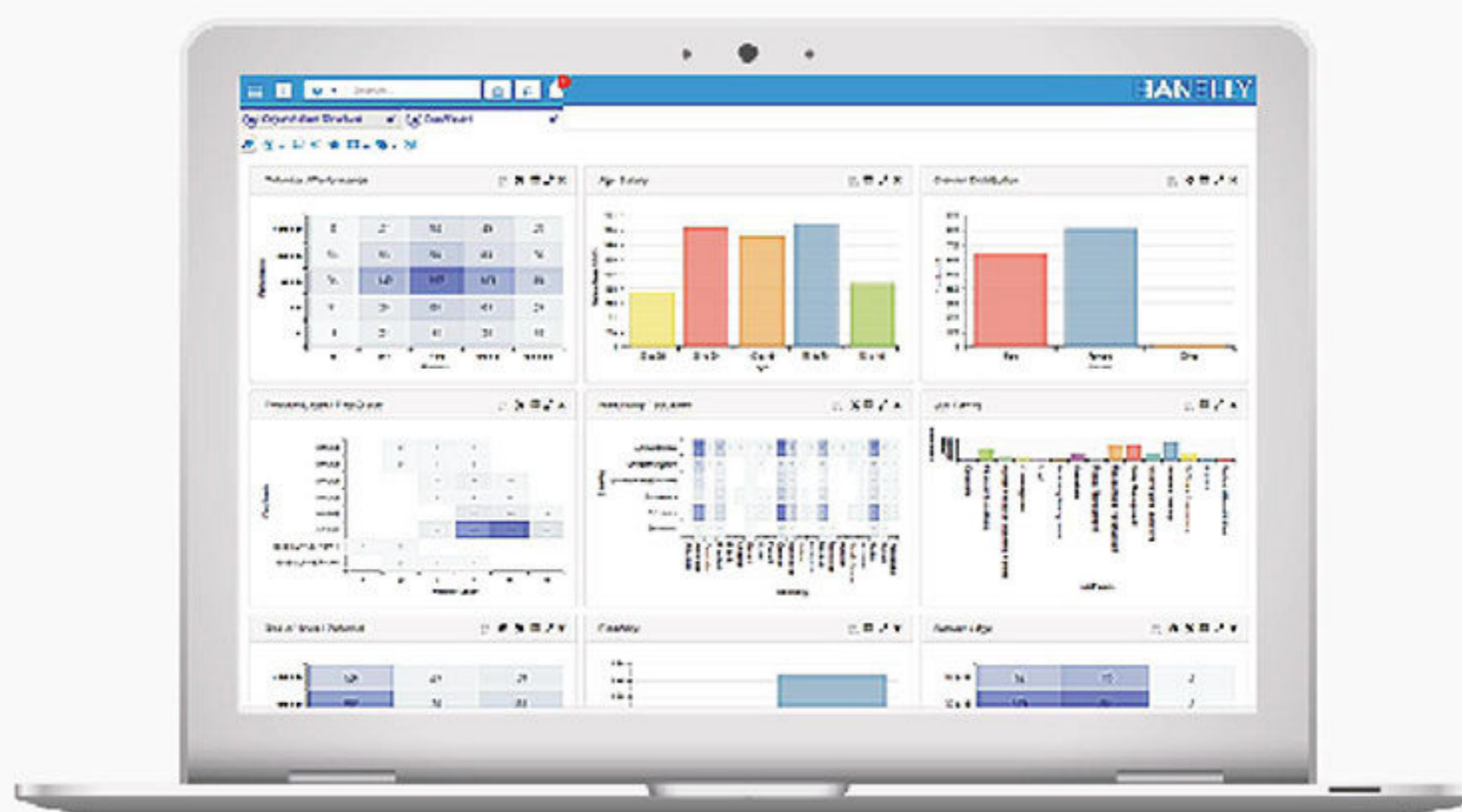
Despite rapid changes in HR over the last decade, the advancement of HR technology and the increasing challenges faced by HR teams show no sign of stopping. In fact, many HR leaders are predicting even more rapid change over the next five to ten years.

“The global economy is continually being shaken by disruptive forces that will affect both social and professional life. Not only will the day-to-day work of employees and the tools they use change, but also entire organizational processes, such as the way companies find, reward, and retain talent. The days of Human Resources (HR) as we know it at present may be numbered.” – Deloitte, “The Future of Human Resources”, 2017.

### What Will HR Look Like in 2025?

As we all know, no one can predict the future. But ask any HR expert, and they'll most likely identify a few common trends that will continue to disrupt today's work environment.

Leading HRM expert and researcher Professor Rita Cunha, *Technology, Globalization, Millennials: The future of HR in 545 words*, 2018, identifies three key trends that will affect HR over the next several years.







The expansion of cloud technology and artificial intelligence (AI) will simplify certain HR functions, but will also require robust management systems.

Emerging technology will allow for agile data management and automation of traditionally resource-heavy HR tasks like gathering and maintaining organizational data, boosting collaboration among leadership and teams, “cybervetting” potential candidates, improving training and career advancement programs through virtual reality and AI, and automating interviews and employee assessments.



**Helpful hint:** Hanelly provides a “single source of truth” for important HCM data that helps HR teams and organizational leaders monitor, audit, and improve key organizational initiatives and employee analytics.



An increasingly global workforce will require organizations to implement effective diversity initiatives.

As the workforce grows more global, organizations will need to ensure they are recruiting and supporting employees from diverse backgrounds—whether it’s nationality, age, gender, sexual orientation, or religious affiliation.



**Helpful hint:** Hanelly by Nakisa allows HR teams and leadership the ability to set diversity and inclusion targets to encourage change and track feedback.

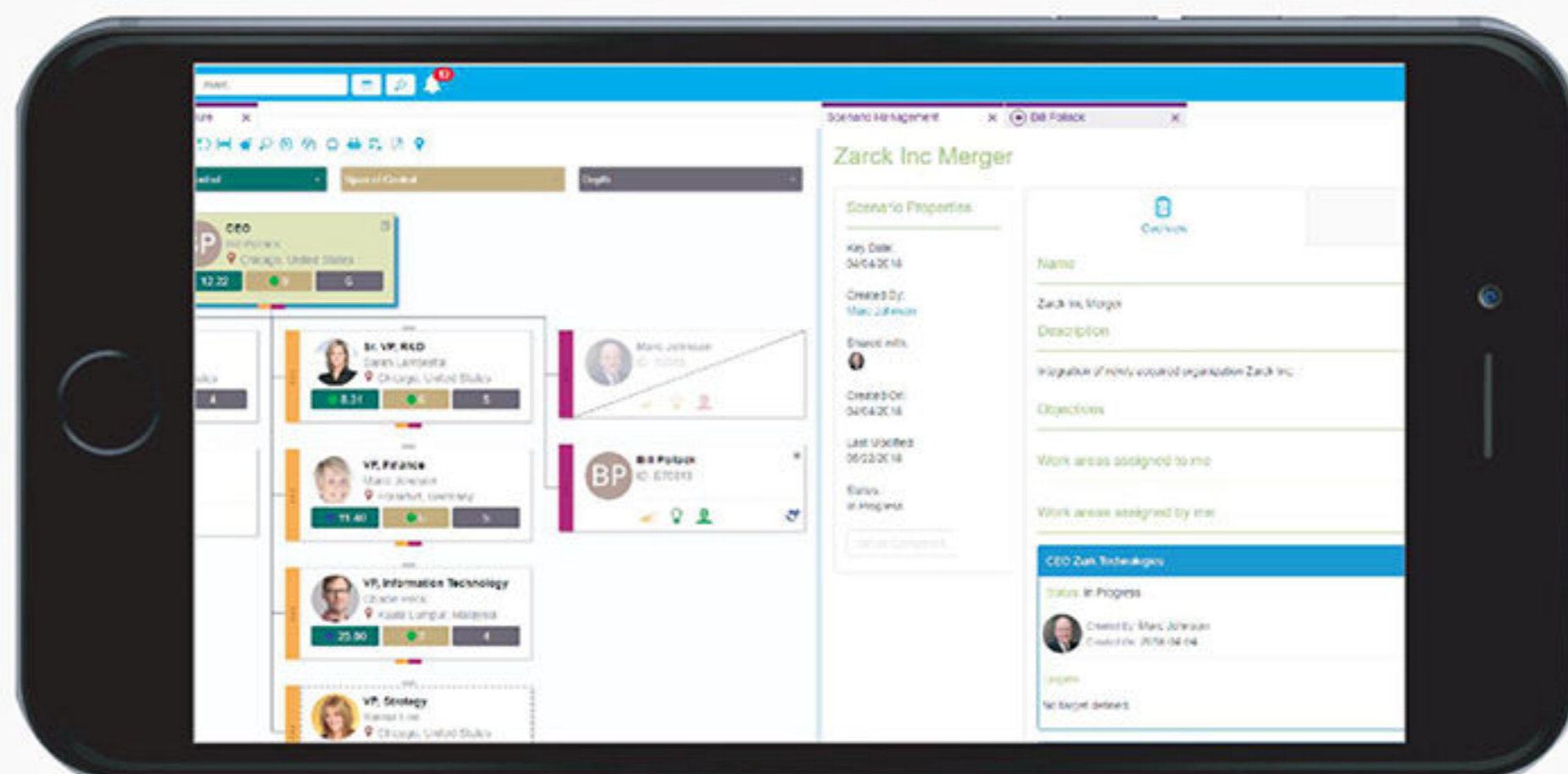


The changing priorities of a younger workforce will require organizations to develop more humanistic cultures.

The importance of unique employee experiences will only increase over the next decade, as employees expect more flexibility, better training, and improved support beyond the workplace—from financial to health and well-being to social needs.



**Helpful hint:** Hanelly allows HR teams to track progress of specific initiatives and use intelligent collaboration to adjust or implement new programs that support employee satisfaction.







# Technology's Role



**“Good HR-tech solutions either help the organization win the war for talent, create an environment where people can do great work and help the organization succeed or enable HR and business leaders to make the best “people” decisions that they can.”**

– Human Resource Executive, 3 HR Tech Topics I Think About the Most, 2018.

In Deloitte’s 2018 Global Human Capital Trends survey, 84 percent of respondents said people analytics was important or very important to their operations, making it the second-highest-ranked trend.

While the future is hard to predict, no matter what happens over the next decade, it’s clear that all HR organizations—from SMBS to global enterprises—will need to embrace the power of people data to help improve their workforce. The truth is: if your organization hasn’t fully embraced the power of people data, you’re already falling behind.

## HR Management Made Simple

Nakisa Hanelly helps organizations tackle the impending future of HR by providing a robust system to gather, audit, and report data, implement important business transformations, and make adjustments to the current organization.



**Consolidate and understand data** to make important, real-time decisions.



**Connect and empower a global workforce** through organizational visualization tools and centralized communication systems.



**Visualize organizational structure** and the potential impact of new initiatives.



**Boost diversity and inclusion efforts** by setting and tracking targeted progress.



**Access important analytics** to make key HR decisions.





## The Future is Now

There's no shortage of challenges ahead for HR teams. Rapidly-improving technology, globalization, and workforce diversity shifts will all present unique hurdles. Time will tell exactly what the state of HR will be in 2025, but one thing is clear: technology and data will have a huge part to play.

As organizations look to stay ahead of these impending trends, many are already embracing the power of people data to transform their organizational structure and employee engagement strategies. The question now for any business looking to stay ahead of the curve: Will today's tools equip you for tomorrow's future?



## About Us

A global leader in cloud business solutions for Organization Design and Accounting & Compliance, Nakisa delivers innovative, forward-thinking and robust human resource and financial management solutions that advance your business strategies.

Nakisa serves 800+ enterprise customers and over 4 million subscribers in 24 industries. Nakisa is proud to work with some of the world's most renowned brands

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