The HR Resurgence in 2023



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White Paper

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and how it is creating an exciting career trajectory for HR Professionals

We are living in an era where AI is not just making headlines, it's writing headlines. The business world is at the cusp of a major change. A tectonic shift taking place causing disruptions we never imagined before.

Since last year, trends like AI, blockchain, remote work, and gig economy dominated the news. Many such trends were considered to be in their nascent stages just a few years ago. Today, we see their widespread practical usage in different industries of business and areas of life.

These disruptions and changes created the right circumstances for the resurgence of the HR function, whose criticality had long been forgotten or ignored.

HR is Ascending and Breaking Barriers

- It's no longer a department that was relegated to hiring and employees.
- It's no longer a function that was limited to repetitive administrative tasks.
- It's no longer a division that is fancied by companies only when they are on a hiring spree

HRM has risen like a phoenix from its ashes to reclaim its rightful place at the business table.

Breaking Free from the Shackles of Past



HRM as a function is finally breaking free from its constraints and going beyond the traditional limitations that had bound it for a long time. Let's have a look at some of them:

1. HR is a support function with just administrative responsibilities

HR used to be considered a support function. HR professionals were limited to administrative tasks and senior executives didn't think they could have any considerable impact on the business. As it became evident that employees are the center of a successful organization, HR came to be recognized as a strategic function that directly contributes to organizational growth and success.

2. HR is just about managing employees

While personnel management is one of the primary responsibilities of the HR function, there is a lot more it does that contributes to a great employee experience. Today, HR professionals are expected to be adept at strategic planning, succession planning, leadership development, and streamlining business operations.

3. HR doesn't have any decision-making power

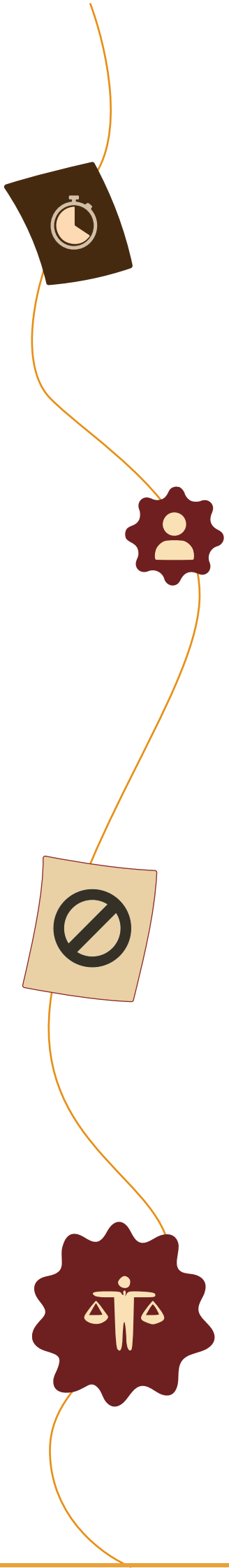
Modern HR has decision-making powers. It relies heavily on data and analytics to take informed decisions. Whether it's recruiting the best talent, boosting employee engagement, or evaluating performance, data & analytics form the bulwark of HR's decision-making in today's world.

Thomas H. Davenport, a distinguished academician who contributes to the Harvard Business Review has mentioned a survey that proves this point. Some of its highlights are:

- 51% of HR respondents stated that they could perform predictive and perspective analytics
- 94% of the respondents confirmed that can predict the likelihood of top-level talent churn or attrition with confidence.

4. HR is a cost center and not a revenue center

Today, more than ever before, businesses have come to realize that employee experience could very well make or break a company's future. HR is at the focal point when it comes to EX. Formulating the right recruitment strategy, reducing attrition, ensuring policies are adhered to, and keeping an eye on how employees perceive work and organizational culture; all of these make HR a revenue center that protects an organization from employee churn.



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How HR is making a comeback



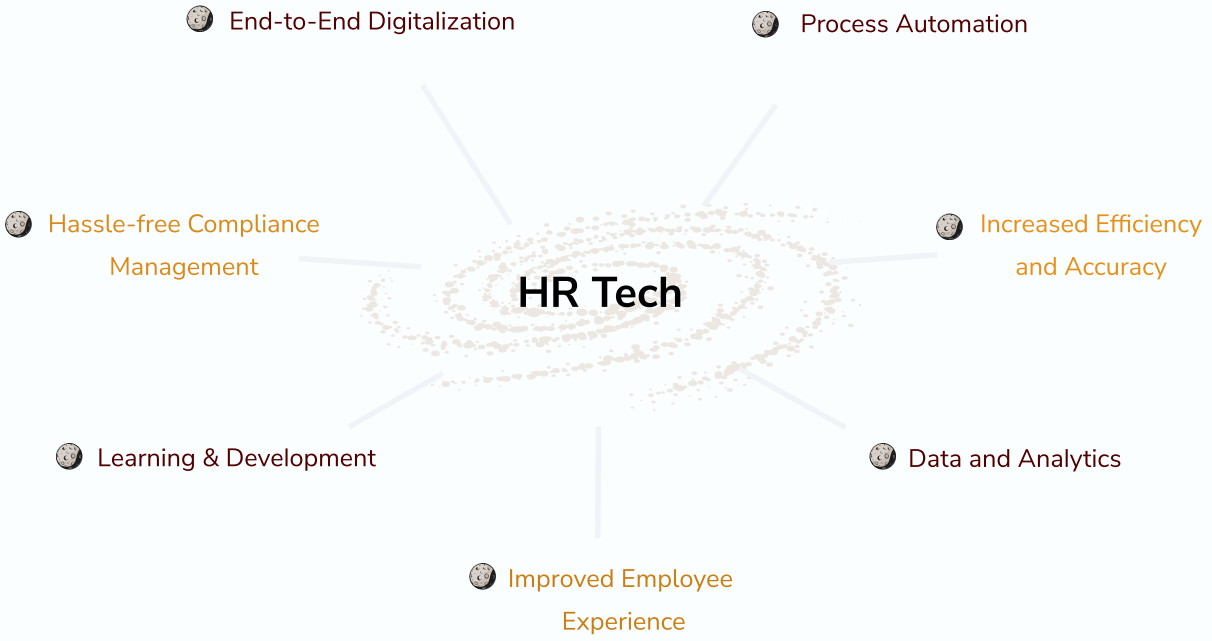
Years 2020 and 2021 witnessed the unprecedented phenomenon of ‘the Great Resignation’ where employees left their jobs in huge numbers, primarily in protest against toxic work environments, low wages, and unmanageable work pressure. The pandemic proved to be a tipping point that gave employees the courage to take decisive actions.

This is when businesses began to realize that HR, the usually less-attended-to factor of employee experience deserves more attention. CXOs began to realize that as a function, HR can no longer be relegated to the sidelines and should be a part of strategic initiatives.

Today, the HR function is expected to:

- Help business leaders and managers in maximizing their effectiveness
- Lead change management by supporting digital transformation
- Boost employee experience and help employees in identifying career paths within the organization
- Win the talent war for their organization by recruiting and retaining the best talent
- Define policies and end ambiguities in aspects related to the future of work, such as remote and hybrid work models
- Effectively quantify their efforts and communicate them with the leadership
- Help organizations in managing employee expectations such as flexibility, purpose, and employee wellness

HR Tech has opened a whole new world of possibilities



HR tech is the superhero that HR professionals deserve. It saved them from the monotony of manual processes and made it possible to answer their true calling: creating a positive work environment for employees.

HR tech has quite literally opened portals to the future when it comes to the HR function. The HR function is not what it was a decade ago. Now, with increased adoption, not only has it automated HR processes but given has a new meaning to what it means to be an HR professional. Let's explore the impact of HR tech.

1. Process Automation

The greatest impact created by HR tech is how it replaced manual processes with automation. All manual touchpoints in recruitment, performance management, benefits administration, and payroll are a thing of the past, thanks to a plethora of features introduced by HR tech platforms.

2. Increased Efficiency and Accuracy

The HR function operates with increased efficiency and accuracy thanks to digital HR systems.

- Just imagine how many resumes you can parse and screen by simply adding a few keywords and letting an HR tool do the job for you.
- All the forms that employees had to fill in during their onboarding? With an ATS, a one-time data entry is all you need!

3. Data and Analytics

Real time data and analytics has put the HR managers in a powerful position as they are better equipped to take decisions. HRs can identify patterns and trends and use the information to formulate better strategies.

For example:

- You can identify employee attrition and drill down to its major causes
- You can also use the attendance data to prevent employee absenteeism

4. Improved Employee Experience

Employees no longer have to rely on HRs to obtain any type of information. Virtual helpdesks and ESS platforms help them get information such as payslips, leave balance, and attendance data on their own. By removing a manual touchpoint, HR systems improve employee experience as the time and effort needed to obtain information is significantly reduced.

5. Hassle-free Compliance Management

HR tech has made compliance free of human errors and oversight. It helps in maintaining up-to-date records, reduces the risk of non-compliance through timely alerts related to deadlines, and helps businesses take proactive measures to stay compliant.

6. Learning and Development

Thanks to HR tech, L&D has evolved into a highly agile and transformative aspect of HRM. It has broken all barriers that were hindering employees' access to learning materials, making it possible for them to learn and upskill themselves anytime, anywhere. With HR tech, organizations can create personalized learning paths for different employee segments. They can also measure the effectiveness of each program and make the whole process more engaging through gamification.

7. End-to-end digitalization

The true impact of HR tech could be witnessed in how it has digitalized all touchpoints and processes in the HR function. The management of the entire employee lifecycle has become simpler, less time-consuming, and more streamlined due to digital processes. It has significantly increased the pace with which HR operates, resulting in a 360-degree improvement in employee experience.



HR in a New Avatar

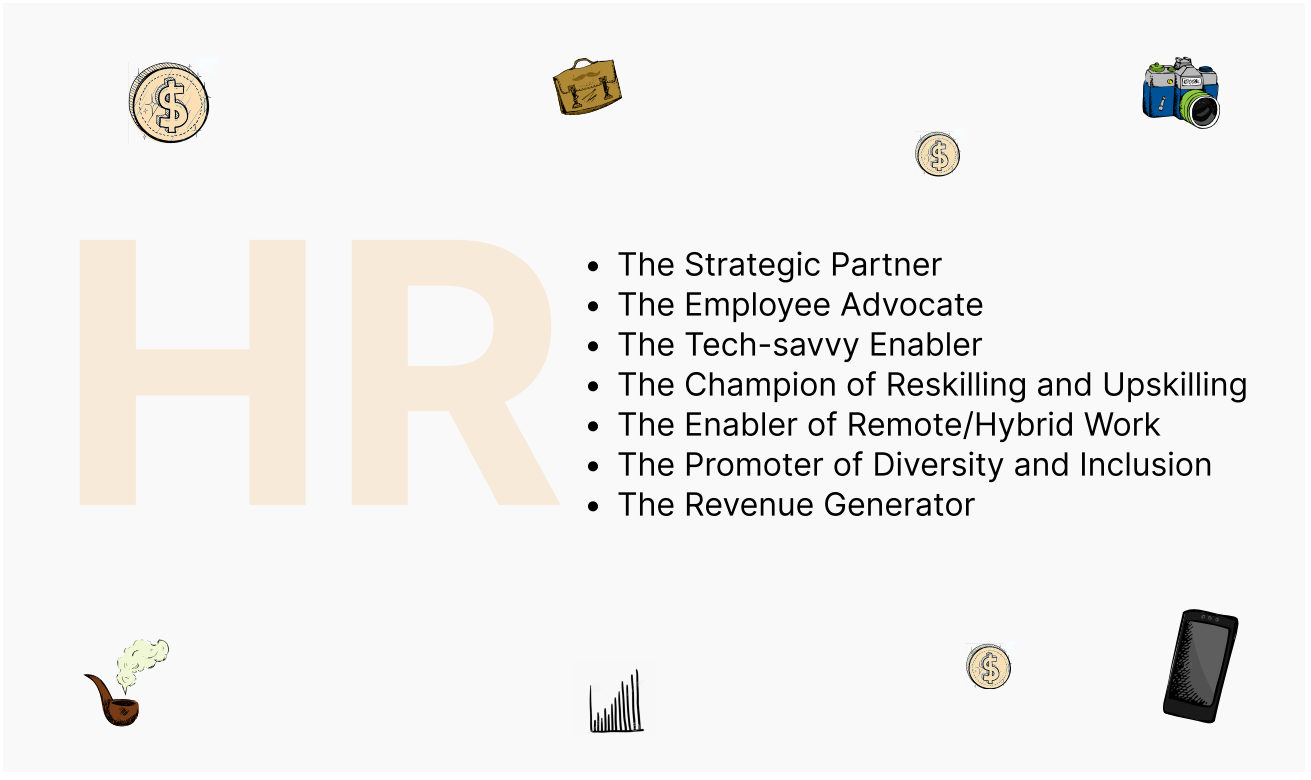
When we talk about the future of work, there are some unmistakable trends that are changing the way businesses operate and manage their workforce. Remote work, increased use of AI, reliance on automation, gig economy, and contractual work are some of the most noticeable trends in recent times.

The future of work' has become a topic of keen interest for many research firms and industry analysts. The future of work could be summarized as:

- Employee-centric
- Hybrid and flexible
- Digital and tech-driven
- Agile in terms of workforce
- Driven by upskilling and re-skilling
- Inclusive
- Heavily reliant on automation

In this context, business leaders and employees are forming new expectations from the HR function.

New roles, responsibilities, and expectations from HR:



HR professionals are already known for donning several hats to ensure smooth operations at their organizations. We discussed this at length in our previous whitepaper, 'Harnessing the Power of Strategic HR'.

Considering the new realities, HR as a function is remodeling itself tactically to emerge as a strategic resource. Here are some of the new roles it is taking up to better support businesses and organizations.



• HR - The Strategic Partner

HRs are increasingly playing the role of strategic partners. They are working with senior leaders on initiatives that directly impact and drive business outcomes. This means that apart from their expertise in the HR domain, they are quite well-versed and adept in understanding and influencing business operations so that they can align HR initiatives with the organization's goals.



• HR - The Employee Advocate

Gone are the days when HRs were looked at as an extended hand of management and the mouthpiece of company leadership. Today, the HR function acts as the voice of employees to advocate their needs to build and sustain a positive employee experience. This is critical to keep the wheels of business running and prevent employee churn.



• HR - The Tech-savvy Enabler

HR is expected to be at forefront of technology and spearhead digital transformation at organizations. If a new tech-driven process is being put in place at a company, HRs will be expected to direct and champion its adoption from the front seat. It also includes streamlining remote work, automating repetitive tasks, removing manual touchpoints in everything related to HR, and replacing them with tech-driven and more efficient processes.

• HR - The Champion of Reskilling and Upskilling

With new technologies and disruptions happening almost daily, businesses have no choice but to go all in when it comes to reskilling and upskilling their employees. In this context, HR's responsibility goes beyond merely providing training and development programs. As a champion of reskilling and upskilling, HR is expected to monitor all related touchpoints and build a conducive environment for continuous learning.

• HR - The Enabler of Remote/Hybrid Work

Although remote and hybrid work has been accepted as a norm, there are a lot of challenges that need to be addressed. HRs have to manage employee engagement, ensure productivity doesn't take a hit and work towards creating clear communication channels that foster a sense of community. As a key enabler of remote and hybrid work, HR is also responsible for providing employees with the resources and technology they need for work.

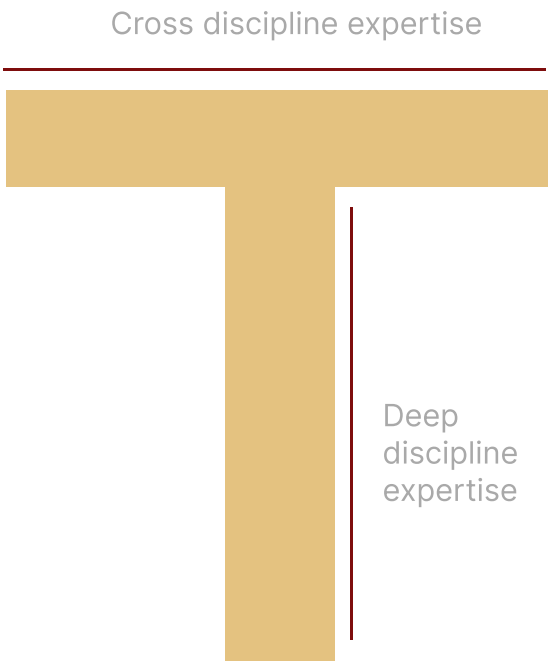
• HR - The Promoter of Diversity and Inclusion

HR as a function has always been a champion of inclusion. Diversity and inclusion not only attract better candidates as revealed by a Glassdoor survey in 2021 but also have a direct impact on revenue. A 2019 report by McKinsey & Company stated that organizations that are in the top quartile for ethnic and racial diversity are 35% more likely to have some financial returns above their industry counterparts. As a promoter of diversity and inclusion, the HR function has to make sure that anti-discrimination policies are followed to the letter and that there is a general culture of respect and inclusion in their organization

• HR - The Revenue Generator

Today, HR is heavily involved in strategic workforce planning, ensuring the right people are aligned with the right roles to drive business growth. It also plays a central role in developing employee skills to boost productivity. Preventing attrition is also one of the key areas where HR protects the company from the costs of rehiring. All of this means that HR is a revenue generator as it ensures the cog wheels of business are running smoothly by managing people and getting the best out of them.

The Rise and Rise of T-shaped HR Professionals



The nature of today's disruptions has made it critically important that professionals have a diverse skillset that goes beyond their area of expertise. A T-shaped professional has a depth of skill in a particular area (represented by the vertical line in 'T') while also possessing the ability to work cross-functionally across other connected disciplines (represented by the horizontal line in 'T').

HR professionals operate in a wider circle with more touchpoints compared to other departments. Hence, they would have to be more agile and aggressively build a diverse skillset that supports their core areas of expertise. Some of the competencies they should be aiming for are:

Higher Adaptability: so that they can adapt to change and pivot their strategies in the face of changing business needs.

Better Decision-Making: With a wide array of tech and tools at their disposal, HRs must become better Decision-makers by relying on data and analytics.

Smoother Collaboration: HR professionals should be able to work more effectively across different departments, and promote cooperation and collaboration.

Smarter Communication: HRs must understand how to communicate with different types of stakeholders. CXOs and senior leaders would prefer to talk about numbers and statistics. HRs have to understand and speak their language.

What a Time to be Alive!

Talk about being in the right place at the right time! With the role of HR undergoing a transformation, there could be no better time than now to foray into the domain, find out what area interests you, and advance in it further.

If today's workforce trends are any indication, HRs are fast arriving the forefront of business leadership as they play an increasingly powerful role in aligning the workforce with business goals. Keka is spearheading a movement of not just uplifting and empowering HRs around the world through tech and automation, but also bridging the gap between theoretical and practical HR.

Years of working with HR experts has made it possible for Keka to build a highly practical knowledge base that leaves no stone unturned to make HR operations easily understandable for professionals and prepare them for any challenge they may face in the future.

As a champion of HR, Keka is grooming HR professionals by providing them access to this knowledge base and paving the way for a new world where they lead the organizations from the front and drive employee experience.

This white paper is the **first of a series** that will help you gain a clearer understanding of what options you currently have as an HR and what opportunities you can tap into. Join us on a journey of **strategic exploration** as we sail toward success together.

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