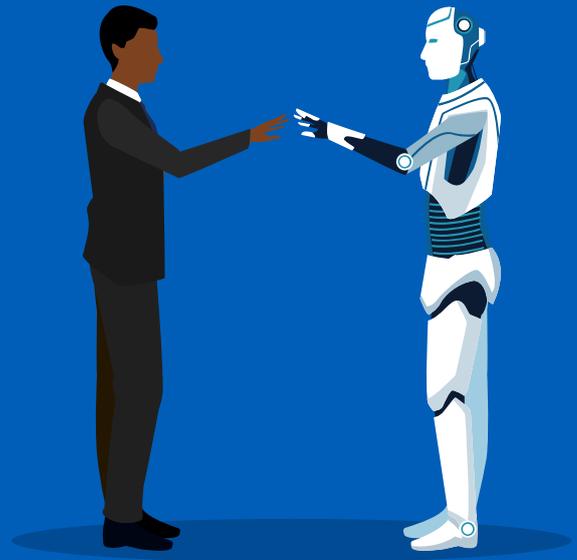


AI - changing the face of HR



KPMG and Tech London Advocates convened a group of Human Resource (HR) leaders, experts and start-ups in July 2019 to discuss Artificial Intelligence (AI) in the workplace.

The roundtable discussion focused on three key areas:



How AI & digital are impacting the employee experience and workplace



Areas of HR which are seeing greater disruption



How HR leaders familiarise themselves with AI and innovation

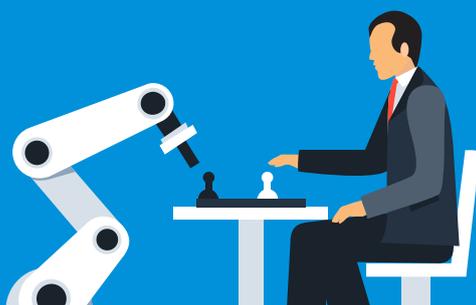
Included in the lively conversation, was a presentation from two peopletech AI disruptors, APPII and 3Radical.

The rate in which AI is moving has been largely driven by innovative startups. It is the hot ticket among investors according to KPMG's Venture Pulse survey with investors, corporates and even a number of governments due to its overwhelming applicability to all sectors. For businesses, it is the third wave of technology advancement following on from the world-wide web and the rise of the mobile phone - which both changed the way employers recruited and engaged with employees.

The report outlines the key discussion points and conclusions from the roundtable.

AI is here to stay

The impact of AI is already being felt in the workplace, from online learning and development and talent management systems through to facilitating flexible working, managing health and wellbeing and machines replacing some jobs previously done by humans.



There are already around 3,000 startups operating in the area of recruitment providing solutions to HR functions where the pressure is on to reduce the cost and increase the speed of attracting new talent to a business.

Employee engagement coaching is also seeing a growing use of AI with virtual/online coaching options available to businesses focussed on skills coaching to wellness. What was previously seen as a perk for high potential / emerging leader candidates can now be made accessible to large numbers of staff at a much lower cost, improving employee engagement within an organisation and providing real time data that can help the HR function to plan ahead.



What is driving AI in HR?

The change is happening fast, driven largely by meeting the needs of the millennial mind-set the speed at which technology will impact business and the HR function is likely to happen much faster than at any previous time.

According to KPMG research



91%

of millennial workers will change job every 3 years,



over their careers they are likely to have anywhere from

15 – 20 employers.

At the same time the market is changing rapidly. With a large number of the future workforce expected to come from the gig economy – AI is helping to look at key areas such as how they are insured and creating online communities – designed to support workers by around areas such as safety and wellness and self- help.

With the workforce of the future set to look different AI is helping employers with policies and strategies key for attraction and retention. In the future an organisation could find its workforce made up of employees from the gig economy, alongside permanent employees and even robots – which will have an impact on how HR policies are shaped. How do you manage a system that has been traditionally focussed on permanent employees? Currently there are no HR policies for managing machines so HR professionals will need to use the data that AI can generate to ensure their HR strategy is fit for purpose for the future and the changing needs of an evolving workforce.



Are you in the know or are you in the no?

We are already seeing huge amounts of disruption to the workplace both from technology and from the business with issues such as increased focus on Diversity & Inclusion, health and wellbeing and the overall employee experience. HR functions are under increasing pressure both to meet all of these requirements and be fleet of foot – whilst still trying to deliver key programmes such as ERP and payroll.

HR Directors and technology are not natural bedfellows. All too often, technology is viewed as the instrument that purely delivers efficiencies and cost reductions.

In fact, KPMG's research found that



70%

of HR professionals recognised the need to transform their workforces



but just over a **third** are confident in their ability to use AI effectively to make the transformations and half do not feel prepared to respond to the AI strategy.

However, with the speed at which AI is moving, HR teams will need to be more fleet of foot when it comes to embedding it in their businesses and importantly, any new business strategy involving the use of AI must be influenced by HR. The HR function needs to drive the changes and be an advocate of the business. Winning organisations are often the most agile and AI can improve HR's value-add to an organisation, not just automating but providing intelligent analytics that can drive the business forward.



Closing remarks

The impact of Artificial Intelligence (AI) as a major force for disruption is being felt across all functions, but its capacity to change HR sector is infinite - providing HR teams have the time, support and understanding of the technology to drive their businesses forward.

Contact us



Melanie Newton FCIPD
Partner, FS People and Change
E. mel.newton@kpmg.co.uk



Divya Khurana
Growth Assistant Manager
E. divya.khurana@kpmg.co.uk

kpmg.com/uk



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