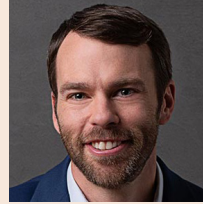


HR Technology and Its Impact on Business Agility



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Full transcript

Rob Parsons:

Welcome to the Paychex HR Leadership Series. I'm your host, Rob Parsons. I lead the content team here at Paychex, and we write extensively on a variety of HR topics, covering everything from HCM technology, to team engagement, to compliance with state and federal regulations. In this podcast, we speak with leaders and thinkers in the industry to provide our audience with the latest HR insights and information, and hopefully, more than a little inspiration.

Rob Parsons:

Joining me today is Ben Eubanks. Ben is an author, speaker and researcher living in Huntsville, Alabama. He spends his days learning about the talent technologies and HR practices that set great organizations apart from the rest. His book, *Artificial Intelligence for HR*, may sound like a textbook, but it's essentially a guide to leveraging technology to create a more human experience for employees around the world. He also hosts "We're Only Human," a podcast focusing on improving human resources one HR pro at a time.

Rob Parsons:

But first, our team has spent hundreds of hours researching the latest HR and management trends we think leaders should be aware of. We have thousands of downloads now, and we're excited to have that connection with you. If you're enjoying this podcast, let us know. Go and rate us on Apple Podcasts, Spotify, Google, iHeartRadio, wherever you're listening to us today. Leave us a comment on topics you're looking to hear about. We want to serve you with insights you want and need to know. Okay, let's get to it.

Rob Parsons:

Ben, thank you so much for joining me today.

Ben Eubanks:

I am so glad to be here, Rob. Looking forward to it.

Rob Parsons:

Fantastic. I'd like to start with a hobby of yours. I hear you like running in outlandish races for fun. Now, I used to run track, but I've never ran an outlandish race. Can you tell me a little bit about those?

Ben Eubanks:

So, I'll let you tell me if it meets that threshold for outlandish. How about that?

Rob Parsons:

Fair enough.

Ben Eubanks:

So, one of my favorite races in the last few years, actually drove up to Chattanooga. They have a wonderful two-mile loop there. And I proceeded to run that for 12 hours until time ran out. So I love doing timed races like that to see how far I can go, really push the limits of endurance. I've done a ton of ultras over the years, 50Ks and so on. And so, that's my preference, is the longer stuff. I've done all the shorter things, 5Ks, I did track as well, so we could get all nerdy on that. Hurdles is my thing.

Rob Parsons:

Oh, I was a hurdler too. Used to do the 110 and the 400.

Ben Eubanks:

Same here, same here. How fun.

Rob Parsons:

That's a long time to run. That is some endurance. I appreciate that. That's something I think a lot of HR teams have had to demonstrate these past few months. And agility as well, which we remember from our hurdling days. I know agility has been a real topic amongst leadership here at Paychex. And you've recently completed research on agility, which I found really interesting, given the current business climate and how it's never been so important. So can you tell me a little bit about organizational agility and why that matters?

Ben Eubanks:

Absolutely. So, I'm going to start with a quick story just to make you smile probably, make everybody smile that's listening into this. And also to lead us into that conversation about why agility matters. So, several years ago, we had a storm come through here locally, and it blew off a piece of the roof, on a building my dad owned. He was lamenting the fact that he was going to have to fix it and get up on the roof, and everything else. And I said, "Hey, let me try to fix that." And I'm going to admit right here in front of everyone that I am the least handy person you'll ever meet in your entire life. That is not the skillset I was blessed with. I'm like, "I don't know why I'm saying I'll do this, but here I am."

Ben Eubanks:

So I go over there and my ladder won't even reach the roof. I can't fail now. I can't not succeed before I've even started. So I realized if I drive inside the building and put the ladder in the back of the truck, I can get out onto the roof. And I know you're thinking this sounds like the worst idea ever. I get up there and I actually patch the hole and fixed it. And it was beautiful, looked perfect. And then I realized in my celebration that I had to get down somehow, and I just patched the hole I climbed out of.

Rob Parsons:

Oh no.

Ben Eubanks:

And so, I won't tell that story... Spoiler alert, I got down, right? I'm here today. It reminds me that things change faster than you realize, and sometimes solving one problem creates another one. And I think that's where this conversation on agility really comes to play as things evolve quickly. And in the last 12 months, we've all been a front row seat and had a front row seat to that, kind of, change. And the conversation around agility often has this buzz word, it's like, "Oh, you should just be more agile." And what I am really interested in is thinking about what is actually involved in that. And there's lots of moving parts... culture, strategy, leadership, communication, change management... like all of those nuts and bolts... pieces factor into that.

Ben Eubanks:

What's interesting is the research overall shows why we're talking about this, why this even matters. Companies that have increasing levels of agility actually see better business results. They see better revenue, things like that. So if you are more agile, you're more able to adapt and change as the environment changes around you... you're more likely to see a return on that change, that evolution. So, I love that piece of it.

Ben Eubanks:

And one last thing I'll share there is when you hear that, sometimes you might think, "Well, okay, that's a great idea, but that's for companies that are huge." You know, the 10,000 employees, or whatever else. The data actually show that organizational complexity hits a tipping point not at 10,000, not at 1,500, not at 500 — but at about 100 employees. That's where the tipping point is, where they start to look for and desire a degree of agility in order to meet those changing demands around the business. So the threshold is much smaller and much lower than we usually expect — we might expect — it to be rationally, but that's just a reason why I think we need to have this conversation more and more, and leading that as HR leaders.

Rob Parsons:

That's great. And maybe you can touch on — you did it real briefly — there's a lot of factors that come into play. In your research, what were some of the real insights you had that led to organizations being more nimble, being more agile?

Ben Eubanks:

I had really hoped to see, you read in my bio — you called it out — I love technology. I spent my time as... before a researcher, I was an HR practitioner in the trenches. And so, I was really hoping to see some connection between the technologies and tools we're using, and the agility of an organization. And I honestly would have been... I would've been perfectly happy to report 70% or 80%, or something like that.. but what we found was 97% of the companies that said that they are adaptable... that they are future ready... said that their technology on the HR side — not just broad technology, but their HR technology — actually is a key driver for that. It's a key enabler that helps them to be agile.

Ben Eubanks:

And that is so exciting for me to see that because it helps... when you think about it broadly... HR tools, the technologies we're using to reach people... it helps us to scale the experience we're trying to reach to our people. For those companies that have had to go remote — or that are thinking virtual work is here to stay — for those companies, this enables them to reach and touch and connect with those employees in a way that they couldn't otherwise. Just a Zoom call can't do. I love that we're helping to deliver on this value promise for employees through technology. And that plays a key role in this broader organizational adaptability.

Rob Parsons:

I love that. I'm looking forward now to diving into a bit of a technology conversation. That's definitely a key factor in Paychex's success is technology and our tech platform. Technology as a whole is a very broad word. We know in HR, there are a lot of technologies, specific to HR and not specific to HR. Did you see anything bubble up as being especially useful, having best-in-breed versus a single platform? Having a lot versus a little? What did you see there?

Ben Eubanks:

There's actually some really interesting findings that the more applications you have to support your HR function, the harder it is to get clear and accurate data on what's actually happening. There's no single source of truth. And so, that makes it really challenging. I talked to a company, and the research actually that said, "We realized we had a problem when our CEO asked us for a headcount number and we came back with three different numbers because we couldn't tell them what the actual number was." That seems like a silly example, like why does that matter?

Ben Eubanks:

But if you can't get something as simple as that, how are you going to start forecasting how many employees you're going to need for the coming year? Or how are you going to start really understanding what it takes from a budgeting standpoint to hire the right people you need, or to compensate appropriately? Those are much more intricate and complicated questions. If you can't answer the basic ones with the tools we have, we're missing out there on some of the bigger picture things that give us a chance as HR leaders to really bring value to the organization.

Rob Parsons:

For sure. To really impact business outcomes.

Ben Eubanks:

Yes, for sure.

Rob Parsons:

Were there certain capabilities or certain HR software systems that actually prevented... you know, beyond complexity, were there situations where the HR technology got in the way of agility?

Ben Eubanks:

That's a great question. I think the big tie there was, when you start expanding out the number of things you're trying to take care of. So one of the fun things we did in this research is, we didn't just ask HR leaders what's going on. We also asked those organizations that were big enough about — sorry, we also asked about their IT leaders. We asked this audience separate, but very similar, questions to see "Are they on the same page? How do they feel about that?" And even coming down to things like how involved should the IT team be in putting together and rolling out a new piece of technology to support talent? To support learning? To support HR in some form or fashion? We found that HR leaders were much more likely to say, "Hey, I'll call you if I need you." But IT leaders are more likely to say, "I am ready, I want to be in this. I want to be a player, put me in coach."

Ben Eubanks:

And so, there was a gap there in the perceptions of how involved those resources are going to be. And what was exciting for me is I see this research as an opportunity to bring audiences together, to help HR leaders that are listening right now, to help you understand if you have an IT leader or if you have someone in your organization who is helping on the technology side, they want to play a part in this, they want to help you, they want to have a partnership and they're waiting for you to reach out.

Rob Parsons:

That's a great point. HR can't operate as an island thinking that all they need to do is focus on the people because everything is so interconnected now. And we've been seeing that alignment with IT is critical to success. And also the alignment with the people on the finance side of the house, we've seen that as well as a big factor driving success.

Ben Eubanks:

Yes, absolutely. We did a piece of research last year on technology selection for a certain type of technology in the HR space. And one of the things we found that really surprised me was that high-performing firms — those that have better revenue, better retention, better employee engagement, all the metrics that we're excited about — those companies were more likely to have a selection team that included people from across different functions, across different levels. Not just, "Hey, I'm HR, and I'm here to make this call myself." But, "I need the perspectives of these other people, these other functions, these other departments in the organization, because they all are a stakeholder." Everybody's a stakeholder of HR, if you want to think about it that way.

Ben Eubanks:

And it's an opportunity for us to build those strong relationships, build those connections with them. Not just to get their feedback right now because we needed to make a selection, but because next year when they're thinking about, "Wow, we've got this challenge, it's a business problem, maybe we've got a quality issue." Or, "We've got a problem where our customer satisfaction isn't where it needs to be." They pick up the phone and they call HR. Not because it's a people problem, because it's a business problem. And that allows us to speak into and support those things beyond just, "Hey, we've got a compliance problem, someone call HR." No, we've got a business problem and we want HR in the conversation because they support our most valuable asset.

Rob Parsons:

That's fantastic. It really speaks to that broader goal that we've been talking about, really expanding beyond people into the business. Another thing that we've seen and we're very focused on here at Paychex is the user experience, trying to really get people to adopt the technology and use the technology. I suspect you saw there were a lot of companies that probably had good systems in place but they weren't getting the benefit. The advantage out of those systems that they maybe could have should have.

Ben Eubanks:

One of the things that I've said in the last year or two, and every chance I get to reiterate it on a stage or a virtual stage like this, I do it: We talk about HR technology, implementing it. Usually, to build your business case, you think about what's the ROI, what's the value this is going to get back to us? We're not just spending money for fun. We're spending money because we think there's going to be some sort of return. And the problem is, if you don't have a very good adoption rate because the technology is hard to use — it's clunky, it's outdated, it's hard for people to access, it doesn't work on mobile, like all these different things that could get in the way of adoption — those things chip away at that value you were expecting to see.

Ben Eubanks:

So that number that you had thrown in that business case that got signed off on, and you finally got the approval for the system, that number is wildly different from reality if you don't have the tools in place. Again, that goes back to that conversation earlier on the different factors and agility, like change management and communications. Those are very core, fundamental pieces, but if you ignore those or wait until the end — it's an afterthought — then you're missing a chance to really get the value that you were hoping to get out of one of those adoptions.

Rob Parsons:

So now I feel like you're speaking about, or speaking to agility playing a role beyond just the technology, really playing into those HR leaders, our audience, the people who are using these technological tools.

Ben Eubanks:

Yes. Not just using them, but also leading the charge for people initiatives inside the business. I have this vision that HR will know as much about the people, and be as informed on the people, and the talents, and the skills, and the organization as the finance team is with their spreadsheets. Down to the penny, they can tell you what they spent last year on postage. I wish we had that same level of insight into the people side of the operations. And one of the books that I read — the first book I read, coming out of college, so it was a voluntary choice — the first business book I ever read coming out of college has stuck with me for all these years. And one of the big ideas I got out of that was how your managers treat your employees, is how your employees will treat their customers.

Ben Eubanks:

I think that same principle applies here. If we as HR leaders are leading and supporting and driving this message of agility, we need to do this, again, not because of the buzzword, but because this is going to enable us to serve our customers better. It's going to enable me as an HR leader to serve my employees better. There are so many benefits to this. If we don't approach it that way, if we get stuck in that, "Well, Rob, we've always done it this way, so I guess we're just going to do it that way again this year and see what happens..." That's going to lead to subpar at best, and it could be detrimental to the organization at worst, because you're missing a chance to really latch on to innovation and deliver some — I keep saying — deliver value to the organization. That's like, I'm harping on that because I think that is our opportunity. We need to see it that way.

Ben Eubanks:

The organization does not hire an HR team and buy HR software, again, because of some fluffy engagement number. They do that because engagement is linked to better customer service, revenue, shareholder value, safety. All those kinds of metrics that the C-suite cares about — that's what's tied there, and that's why they support an HR team. But if we're not bringing those metrics back to them and saying, "Hey, here's how we're impacting that," we're missing a chance. We're missing a big opportunity there. And one of the challenges... Since I was a practitioner, and even before... I remember reading papers in school 100 years ago about the challenges of HR. It was always, "We can't get our voice heard at the executive level." We're trying to be strategic. And it's because you're focusing on the wrong things. Focus on the things your leaders care about.

Ben Eubanks:

If you went to your CEO right now, and you said, "Hey, our engagement score's up 2%," they may or may not care because they don't know what that means. But if you said, "Hey, guess what, our engagement score's up 2%, and based on last year, that means our profit's going to be up 2% as well this year." Well, suddenly, they want to have a conversation about that. Okay, how can we impact that? How could we drive that some more? How can we use that as a lever to help the business? I think that's the role we need to be taking as business advisors instead of just people leaders.

Rob Parsons:

I feel like that's been a real... you know, having gone SHRM and HR Tech and other shows for years... that's been an imperative, or at least it's been a talking point. This isn't directly related to your research, Ben, but have you seen that we've undergone some forced evolution in the past nine months? That we've really made that leap faster than we were moving before?

Ben Eubanks:

One of the first things that I saw in the last, again, the last few months — taking that as kind of a mini case study — is that suddenly those HR leaders that were saying, “Hey, look at me, listen to me, I have important things to say...” They suddenly were front and center. And if you were not ready for that... woah, not a good place to be. But for those that were saying, “Hey, I’m ready. I’m here, again. Put me in coach, I’m ready to do this. I have what it takes. I’m up to speed...” They had a chance to really knock it out-of-the-park and show the organization what value they have. We need compliance.

Ben Eubanks:

And I don’t think anybody got into HR because they love that piece of it. If you did, God bless you, but we didn’t get into it for that purpose. That’s a part of what we do. That’s a foundation for delivering great service to the people and great service to the business. Going back to what you were saying a minute ago, this year gave people an opportunity to really step up and show what they were made of, show that they had what it takes to really be a force for good in the organization. To impact the organization in a positive way. I don’t think... Well, things have settled in somewhat. There’s a new or a different normal — the next normal, whatever you want to call that. Even in spite of that, we still have opportunities going forward to do this because now, that conversation — that door is still open. That conversation is still left unfinished, and we have a chance to come in now.

Ben Eubanks:

So if you are listening to this and you said, “This year I did that, I stepped up when I had the chance.” Or maybe, “I didn’t do it just as well as I could, I missed this opportunity.” That opportunity isn’t gone. You can still step up and do that. Seize the day, take the reins, carpe diem, whatever you want to... You said inspirational earlier in your intro... This is some inspiration for you to go out there and do it, because there are lots of people that still need someone to check on them, someone to support them from our perspective — the people perspective — and this is a chance for you to do that.

Rob Parsons:

That’s great. And you’ve really done a nice job there. Turning our eyes forward, because it’s easy to look back. “Oh, we responded great,” or, “We didn’t respond great.” But, like the hole in the roof, there’s always going to be another problem. I want to move to, now, you’re working on your second edition of your book on artificial intelligence for HR. As we look ahead, what are you seeing? What is next in technology and how can that help us be more agile and more responsive to who knows what’s coming next?

Ben Eubanks:

So, yes, I’m working on the book and it’s so much fun because defining the challenge of doing a book on technology is the minute you turn the manuscript in, it’s outdated. Something new happens, something different happens. So it’s like, “Oh man, I missed my deadline on that.” So, it’s been so much fun working on this and pulling together the stories in the last two years or so since that first edition went out, because there are some amazing examples of how technology is helping companies. As you said earlier in my bio, technology is helping companies to really scale that human touch, to scale that experience for people, to reach individuals in a personalized way. And it seems like a paradox to say, “We’re going to use technology to be more human.” But it really is possible when you think... I’ll give you a data point really quick to illustrate that, that stands out to me.

Ben Eubanks:

So we were doing the research for the book, first edition, a couple of years ago... One of the stats I ran across, because I was, I'll admit, when I first started hearing about chat bots and things like that, I was like, is that really engaging for the user? Is it a different experience? What's that like? Do they even care? Or is it just some fancy new way to interact with people? And what I found was, at the end of applying for a job using a chat bot, 75% of candidates say "thank you." Even though they know it's a machine, it's not a person, they say "thank you" anyway, because the experience feels fundamentally different. And while it's hard to quantify what that feeling is — it's hard to quantify the emotion they feel in that interaction, that transaction — it does feel different for them.

Ben Eubanks:

And if we start scaling that across different things... Think about your employees: someone's first 30 days on the job, you have tools that help you to stay in touch with them, or keep in touch with what's going on, what issues they might have, what questions they might have, answering those questions for them, supporting them... There are so many opportunities for us. There's a lot of low-hanging fruit for us to support people, to engage them. And again, right now, the world has changed, there's a lot of organizations saying, "Hey, we're going virtual and we're never going back." There are some who don't have that choice. They are working and they have always been working and they're going to continue working in a physical location.

Ben Eubanks:

Either one of those, there are opportunities for us to still use the tools to connect with them, to understand what their unique needs are. The way that Rob perceives the world and the things that Rob might need are very different from the things that Ben might need. And supporting those people in a more personalized way... It's what we expect in our personal lives, anyway. And this allows us to bring that into the work context and really see and support people for the individuals that they are.

Rob Parsons:

We've seen that with our Flex platform. We've introduced — and it was via a chat — an AI back chat system to help employees on the employee self-service side more quickly get to the information they need. So they're not just pecking around, they're not just guessing. And these systems figure out what you've already done, what you haven't done, what you might need help with. And you're right, it really has made a difference in terms of adoption, engagement. I find myself saying "thank you" to Alexa when she answers a question and helps me out. It's the polite thing to do, I think.

Ben Eubanks:

You're keeping that skill, you're building that muscle for those that are watching around you, too, in case they're going to soak in that politeness. One of the things that was really intriguing... I've been talking to so many different HR leaders this year trying to stay in touch with people, stay in touch with what's happening... And I talked to someone... had a new HR leader come in as part of this broader initiative from the organizational perspective of agility... They were trying to become a more agile organization... And they brought in a new "people leader" because they said they were missing that, kind of, strategic role to do that.

Ben Eubanks:

And one of the things that he did immediately was start looking for a technology to help enable this vision he had for his team and for the organization. For those that are listening to this, if you have those tools that can do that, wonderful. But a lot I've come to talk to don't have it, or they have a tool and there's zero service behind it, so they can't quite get that value we talked about earlier, or they don't have the functionality they need. So there's all these little things that could be signals. You need to find something that does solve for that.

Ben Eubanks:

And just to give a hat-tip to you and the team, Rob — I have seen the tools that Paychex has put together, and I'm a fan of how you're supporting the SMB community. It is incredible the kind of capabilities there. And I'm really thankful on behalf of those people who are using it, because when I was in the trenches doing those things, I didn't have those tools in my hands. It would have made me more effective as a leader, it would have helped us to reach our people in a better way. Missed opportunity for me, but for those listening in, it's not too late to look for something that's going to help you with that.

Rob Parsons:

I appreciate that, Ben. I know the product and IT teams are working very, very hard to really deliver a better experience for managers and employees alike. It's driving everything they do. So I appreciate that nod. Any parting thoughts or last insights for our listeners as we wrap up here?

Ben Eubanks:

I'll say this, we talked a lot about technology in this conversation because I'm a big fan of it, and I've roped you into it. And whether you're a fan or not, Rob, you've been along with me for this journey. But for those listening in, as fun and interesting and unique as technology can be, it doesn't solve problems for you. It's an enabler: it helps us, it facilitates better conversation, it facilitates these experiences for our people. It supports us and the vision we have. But the critical role here is the HR leader — those that are listening right now — you are the critical piece of this. You are the linchpin that is going to make this work, that's going to help your organization to be more agile, that's going to make sure the tools are in place to do that, that's going to have the vision for how you can support and love — yes, love — on your employees.

Ben Eubanks:

We don't use that word ever in a business context, but support your own people and love on them, and help them be the greatest that they can be. That's what everybody wants to be. When they come and work with you, that's what they want to be. And it's your job to help them do that. So I'm so excited for what the coming year and the coming years — the coming decade — is going to bring for us. And it's an opportunity for HR to really step up and realize that vision we've had for a long time.

Rob Parsons:

Great. I love that sentiment, Ben. That was a great conclusion. I encourage everyone to visit lighthouseadvisory@lhra.io, and read more about this research and other studies, and to learn more about Ben and the great work he's doing for HR pros and for our industry. Ben, thank you for joining me on the podcast today.

Ben Eubanks:

Rob, it's been a pleasure, thank you, sir.

Rob Parsons:

If you want to learn more about HR technology and how leaders are using it to drive change in their organizations, check out our new ebook, the Future of Work: Using HR Technology to Increase Productivity. You can download it for free at payx.me/futureguide2020, that's P-A-Y-X.M-E/futureguide2020. We'll also have it linked in this episode's show summary. Thank you again for listening to the Paychex HR Leadership Series. You can listen and rate all of our episodes on your favorite podcasting platform, including Apple Podcasts, Spotify and iHeartRadio.

Speaker 3:

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