

A short review of Bersin's 91 page

Author: Steve Hunt . October 2021

Josh Bersin is among the [most influential analysts](#) in HR Technology. Every year he writes a comprehensive and lengthy [HR Technology Market Report](#). For people who are interested in what this report says but who are reluctant to read all 91 of its pages, I offer this shorter review written in the spirit of the [Cliff Notes](#) guides many students relied upon to get through literature classes in high school.

This review is not just a summary of Bersin's report. It is my interpretation of the most important aspects of the report with links to articles I have written on related topics. It also discusses implications that concepts in the report have for HR professionals. These are based on my views, although many align with observations found in the report. Last, I do not reference the specific technology vendors discussed in the report as I am sensitive to writing about companies that might be viewed as competitors or partners.

The review is divided into three sections reflecting the structure of Bersin's report. An introduction with observations about how the HR technology market is changing. A discussion of "top 10 disruptions" expected for 2020. And an overview of the HR technology marketplace with guidelines for selecting technology vendors and partners. The review covers a fraction of Bersin's report and I encourage reading the original text as it contains far more information than what is covered here.

Section 1. "Introduction: A Massive Shift in Focus"

The report starts by discussing major changes affecting the HR technology market. I have grouped these into three general areas: a) rise of systems of intelligence and experience management platforms, b) expanding focus of workplace issues to include job stress, and c) rapid growth of HR technology companies and solutions.

A. Rise of Systems of Intelligence and Experience Management. About every decade the HR technology market goes through a [significant evolution](#). The current one involves moving toward "systems of intelligence" and employee "experience platforms". Systems of intelligence use machine learning to convert the masses of data being collected about people into usable business intelligence. Experience management platforms approach HR-related tasks from the perspective of what employees want to do, [rather than just focusing on the processes](#) the company wants employees to complete. Their goal is to make HR activities an efficient and integral part of work instead of an interruption that takes

one away from work. Experience management platforms make extensive use of mobile technology, chatbots, robotic process automation, and other technologies that improve user experience.

Implications for HR: The move to systems of intelligence and experience management platforms requires HR departments to build new skill sets. Systems of intelligence require expertise in analyzing, interpreting, and explaining data in a manner that helps business leaders. Experience management platforms require creating processes from the perspective of employees through methods such as design thinking. The move to these systems also requires HR/IT professionals to evolve their current HR technology platforms to support these new types of tools.

B. Managing Stress. The always-on world created by digitalization is increasing job-related stress at a time when companies need employees to be agile, creative, and service-oriented. Talent scarcity is also pressuring companies to provide engaging and attractive work environments. These things result in making stress management a major business issue. This is creating rapid growth in technology that addresses issues associated with stress including managing work demands, measuring employee emotions and attitudes, creating supportive and inclusive cultures, and helping employees improve physical, mental, financial, and social wellbeing.

Implications for HR: Companies cannot control all the factors that cause employee stress, but they can [help employees minimize negative outcomes caused by stress](#). This starts with rethinking how jobs are designed and how employees are managed. HR professionals should be familiar with methods to reduce or manage the causes of job stress. This includes transparent and fair talent management practices, meaningful jobs and work, supportive and inclusive managerial behavior, greater employee control over work schedules, payment methods, and work routines, and access to resources to help manage stress in a healthy manner.

C. HR Technology Expansion: The HR Technology market is expanding at a frantic pace. Hundreds of new start-ups are creating solutions for all manner of HR challenges. Established HR technology companies are investing heavily in new HR systems and tools. And large software companies that traditionally were not seen as HR technology providers are entering the market. This innovation in HR technology is pushing companies to rethink all aspects of HR from managing payroll to sourcing and developing talent. There is also growing diversity in methods used to deliver technology ranging from on-premise, private cloud, public cloud, and embedded or [“edge” solutions](#).

Implications for HR: HR has become a technology field. It is impossible to effectively deploy HR strategies without technology. HR professionals do not need to be experts in technology, but they do need to understand what technology can and cannot do. They must keep abreast of technological innovations relative to their field since these innovations dictate what HR methods are possible to use. HR leaders must be adept at deploying technology that addresses the challenges faced by the business leaders and employees they support. This includes showing the ROI of technology applications and [developing HR/IT partnerships](#) built around business needs.

Section 2. “Top 10 Disruptions”

The section of the report titled “top 10 disruptions” actually contains 11 disruptions. Perhaps this reflects how disruptive 2020 is likely to be? The titles of each disruption are taken verbatim from the report.

#1. Core HR Platforms Grow. Core HR platforms support administrative tasks such as paying people appropriately, complying with employment regulations, and providing access to benefits and entitlements. Core HR is arguably the oldest form of HR technology, yet it is going through a resurgence with many new core HR platforms entering the market. This resurgence is driven by several themes. First, companies are struggling to keep up with the constantly changing regulations and employment contracts that affect large, global workforces. Second, there is growing interest in linking core HR technology solutions to technology systems used for talent management, finance, procurement, e-mail, team management, project management, and various other ongoing business operations. Third, companies are interested in deploying core HR systems that better support the team-oriented highly fluid organizational structures associated with the digital economy.

Implications for HR: [Core HR platforms](#) do more than support administrative HR functions. They provide the data foundation for effective workforce planning, recruiting, compensation, talent management, organizational design, and collaboration. They also impact the ability of companies to use job design, career-pathing, and work experience to attract, retain and develop employees. Companies used to treat core HR platforms as something that was expected to remain relatively stable after its initial implementation. It is time to rethink this approach. If an organization’s core HR platform has not been significantly improved within the last 3 years, then it is probably vastly outdated.

#2. Employee Experience Platforms Arrive. The term [“employee experience” is used in many different ways](#). The focus here is on employees’ experience with HR technology and the growth of “experience platforms” that integrate multiple HR technology solutions into a single interface. These

platforms use mobile technology, chatbots, robotic process automation, and other tools to make it easier for employees to complete HR tasks. The design of experience platforms emphasizes helping employees achieve what they want to get done, as opposed to forcing employees to do things that the organization may value but that employees neither enjoy nor fully understand.

Implications for HR: HR technology systems should make employees feel that the [company values their time](#). This requires putting employees at the center of HR process design. Employees want experiences with HR technology to be as easy as experiences with consumer technology they use outside of work. A quick way to check whether HR systems meet this standard is to require senior leaders to use the same solutions used by line employees. If leaders respond by saying their time is too valuable to use the system then either a) improve the system, or b) determine at what level in the organization chart someone's time no longer has any value.

#3. Talent Management Tools Expand. The report discusses several new talent management solutions across six categories: feedback and engagement, performance management, learning and career development, next-generation rewards, well-being and productivity, and team management. The core message is no single technology vendor, no matter how large, can keep up with the pace of innovation in talent management. As a result, companies should deploy core HR platforms that support the use of different talent management applications from multiple technology vendors

Implications for HR: Bersin talks about HR professionals acting like “general contractors” who oversee the use of multiple diverse and often highly specialized talent management apps. This requires HR professionals to determine the talent management needs found in different parts of the workforce and deploy appropriate apps that fit the needs of different groups. Implementing the same talent solutions across the entire workforce rarely makes sense given the diversity of talent management needs within a single company.

#4. The Employee Experience Market is Real and Changing Everything. Disruption #2 was about improving HR technology experiences. This disruption is about improving the “moments that matter” to employees and contractors with regard to the overall experience of work. This includes activities associated with finding jobs, starting jobs, receiving recognition, building careers, working with managers and coworkers, and dealing with major life events such as childbirth or illness. This increased [emphasis on experience](#) is a result of the growing war for talent and the impact that internal work experiences have on employee engagement and a company's external employment brand.

Implications for HR: HR professionals have been concerned with job satisfaction and engagement for decades. What is different about employee experience is the focus on specific events at work. How employees experience things like starting a new job, going on parental leave, or getting a raise depends on multiple factors. Many of these are not under the control of HR (e.g., being given a faulty computer, being passed over for a promotion, being denied access to an insurance claim). Yet HR may still be held responsible for how employees feel about these experiences. HR professionals should prepare for this expanded responsibility by using experience management solutions to surface the issues that make certain experiences more or less enjoyable for different people.

#5. Employee Listening, Engagement, and Culture Tools Move to Action Platforms. Increasing focus on employee experience is fueling the development of [experience management solutions](#) that help companies measure and address employee concerns. These solutions go well beyond the traditional “annual engagement” surveys of the past, enabling continuous assessment of employee attitudes through frequent pulse surveys or reaction surveys embedded directly into HR processes. Many solutions use natural language analysis of free text to collect rich data about employee perceptions and feelings. Other solutions gather and analyze data from diverse sources that give insight into employees’ work experience such as e-mail, geographic location, and biodata. These solutions also use embedded analytics to quickly convert employee data into actionable recommendations so front-line leaders can improve employee experience in near real-time.

Implications for HR: Sophisticated “employee listening” technology creates opportunities for companies to use [experience data](#) to improve the quality of work. But it also poses concerns around employee privacy. HR leaders should establish and communicate privacy expectations to employees. Employees should never be surprised that something they said or did was monitored and analyzed by the company. Organizations must also prepare for how to manage and utilize the growing stream of experience data. This includes guiding managers on how to use this information. Simply dropping experience data into the laps of managers is unlikely to create the results companies want.

#6. “Recruitment Market Changes: AI and Data Now Lead”. The growing talent shortage has led to innovations in three distinct areas of recruiting: candidate sourcing, candidate management, and candidate selection. Candidate sourcing uses social platforms, job boards, employer branding and job marketing solutions to generate qualified applicants. Candidate management uses relationship management solutions and specialized career sites to build connections and foster engagement with potential hires. Candidate selection uses job simulations, assessment tools, and interviewing techniques to identify the best candidates for specific positions. All three areas are data-intensive which makes them a natural fit for the use of AI and machine learning techniques.

Implications for HR: People often think of recruiting as a single function. This does not reflect the modern reality of talent acquisition. Candidate sourcing, candidate management, and candidate selection are highly specialized areas with complex and rapidly changing techniques and technologies. One could be an expert in one area but not another. HR leaders should rethink how staffing functions are structured to recognize how the field of recruiting has changed. This includes ensuring applicant tracking systems used to support recruiting can support and integrate with the growing diversity of technologies used for candidate sourcing, management, and selection.

#7. “Gig Work, Internal Talent, Career Management Now Major Factors”. This disruption addresses three concepts related to the changing nature of jobs that are significantly changing how jobs are staffed. The traditional view of staffing assumed that most positions are filled by hiring external candidates into full-time roles. This is often no longer the case. Contract work is now a significant part of the labor market. This has led to growth in technologies that support staffing, management, compensation, and development for contract workers. Companies are also investing more in developing existing employees as a source of candidates as it is often better to “build talent” than to hire externally in a tight labor market. This focus on internal employees is driving innovation in the development of technology solutions supporting mentoring, job transfers, rotational assignments, and talent sharing.

Implications for HR: Increased use of contract workers and internal talent to staff positions has several implications for HR strategies. First, companies need to treat contractors like people instead of products. It is amazing how many companies manage contractors through their procurement departments as though they were boxes of supplies. Organizations should [treat contractors as valued talent](#), not temporary headcount to be discarded once it is no longer needed. Second, companies must embrace the concept of internal talent mobility. Supporting and rewarding managers who develop and transfer employees out of their teams into other roles. And removing managers who [discourage or prevent employees from seeking new opportunities](#) within the company.

#8. “Performance management tools start to converge”. Performance management has gone through a [massive transformation over the past ten years](#). Core to this change is recognition that performance management consists of several distinct processes including setting expectations, providing coaching, supporting career development, evaluating contributions, and allocating compensation. Scores of new technology solutions have been developed to support each of these areas (see disruption #3 Talent Management Tools Expand). These solutions are most effective when they make performance management methods more continuous and more transparent. Companies are now looking for ways to integrate these performance management solutions with other workforce management activities. For example, linking performance management with staffing or project management.

Implications for HR: Performance management requires constructively dealing with employee differences. Technology can enable more efficient and effective performance management processes. But the success of performance management depends on improving the quality of conversations between managers and employees about job responsibilities, career development, and business accomplishments. This starts with getting leaders to be transparent and consistent in the methods they use to set expectations, provide feedback, and make evaluations. And then holding leaders accountable for having effective ongoing conversations about performance throughout the year.

#9. “Accelerated reinvention of the learning tech market”. Employee development is critical for [organizations faced with an accelerating pace of change](#). This is spurring considerable innovation in learning technologies. These technologies can largely be divided into two categories: micro-learning solutions where people are seeking help with immediate tasks, and micro-learning solutions where people are seeking longer-term knowledge. Traditional learning management systems (LMS) tend to focus more on micro-learning by offering stand-alone classes tied to specific job requirements. Learning experience platforms represent an emerging form of technology focused on macro-learning. They support longer-term career development by integrating traditional learning courses with other forms of development such as career pathing, self-assessments, and learning communities. There is also a lot of innovation taking place around skills assessment and learning delivery. This includes [virtual reality training](#), AI-based learning recommendations, and skills assessment using machine learning analysis of employee capabilities and qualifications.

Implications for HR: Cloud-based learning platforms give employees unprecedented access to learning tools and training content. One of the challenges facing HR leaders is helping employees determine what learning to access given their skill level, job demands, and career objectives. Another challenge is creating job environments that support knowledge and skills acquisition. HR professionals have known for decades that the most effective development comes from job assignments and co-worker interactions. Learning technology should not be viewed as the solution to employee development, but as a resource for development that works best when combined with challenging job assignments and effective coaching.

#10. “Wellbeing market explodes”. The combination of growing employer healthcare costs and increasing employee burnout is driving investment in creation of [well-being technology solutions](#). Well-being, once thought of as an aspect of employee healthcare, is becoming a core part of an effective talent management strategy. A variety of technology solutions have been developed to support physical, mental, financial, family, and social wellbeing through a mixture of self-assessment, self-awareness, knowledge training, and behavioral coaching. Some solutions include tools that link employees with specific well-being needs to appropriate well-being providers.

Implications for HR: The growing focus on employee well-being requires HR professionals to gain a better understanding of this area. This starts with knowing the different types of well-being: physical, financial, mental, and social. It also includes learning how to deal with the sensitive nature of well-being data. Last, it requires understanding how organizational culture, job design, and managerial behavior impact wellbeing. And recognizing that improving employee well-being is often more about changing the job environment than it is about changing the employee.

#11. “Analytics, AI, ONA and Natural Language systems”. HR technology is generating masses of data companies can leverage to increase organizational performance. Analytical methods like AI, natural language parsing and machine learning that were once thought of as “cutting edge” technologies are becoming commonplace tools for making sense of this data. Companies are also starting to implement new technologies that support things like Organizational Network Analysis (ONA) to gain insight into employee relationships and organizational communication patterns. All these things are fundamentally changing what is possible for companies to measure, analyze and understand their workforces.

Implications for HR: There is a big difference between data and knowledge. [HR data can be highly complicated and easily misinterpreted](#). HR departments must build analytical expertise to make effective use of the growing stream of data available to them. This analytical expertise must be combined with knowledge of employee psychology and an understanding of business operations to ensure appropriate insights are drawn from the analysis of HR data.

Section 3. “Market Confusion/Ever Growing Ever Changing”

The last section of the report begins with a discussion about selecting HR technology vendors. Emphasis is placed on not just looking at vendor solutions, but also looking at how the solutions have been used in other companies and assessing the fit between the vendor’s culture and the needs of the customer.

The report then discusses how the HR technology market is changing. Much of this content overlap with topics covered in previous sections of the report so I will not review it again here. One notable exception is the observation that existing HR technology solutions touch less than 1/3rd of the world’s workers. The opportunity that lies ahead of us is not just about improving HR technology solutions. It is also about finding ways to expand the use of HR technology to improve the quality of work for all people regardless of geographic location or economic position.

Implications for HR: Corporate social responsibility is an important topic for many organizations. This often focuses on supporting social causes through charitable giving, volunteer activities, or political activism. Another method companies might consider is using HR technology to create more positive work experiences for employees in underdeveloped parts of the world. Companies often share ideas with business partners to help improve the value of their goods and services. Companies might also consider sharing HR technology solutions to improve the quality of their work environments.

Concluding thoughts

Bersin provides a valuable and extensive look at the changing nature of the HR technology market. In addition to what I discussed in this review, the report contains a lot of interesting information about specific vendor solutions. There are a few minor things that I thought were missing from the report, but nothing that I would call a major oversight or inaccurate representation of market trends. Over the coming months, I will be writing some of my own thoughts about the future of the HR Technology market. Until then, I hope you found this commentary on Bersin's 2020 HR Technology Market Report to be useful. And as I mentioned earlier, if you want the full value of the report then read the report itself. All 91 pages!

The post "A short review of Bersin's 91 pages "2020 HR Technology Market Report": implications for HR professionals" was first published by Steve Hunt here <https://www.linkedin.com/pulse/short-review-bersins-91-page-2020-hr-technology-market-steve-hunt/>

About Steve Hunt

My career is focused on helping companies design and deploy technology-enabled processes to improve workforce adaptability, experience, and productivity. I believe that meaningful and fulfilling work is critical to human happiness. Creating high-quality work environments positively influences the lives of employees, their families, their managers, their customers, and their broader society. Better work environments create better world environments.

In the 20+ years, I've been doing this sort of work, I've had the fortune to play a role in the implementation of systems that have improved productivity and engagement of millions of employees working for hundreds of companies ranging from small start-up organizations to the largest employers in

the world. My experiences have also led to authoring hundreds of articles and presentations on topics related to strategic HR and workforce productivity as well as two books on HR process design and implementation: “Commonsense talent management: using strategic human resources to increase company performance” (Wiley Press, 2014) and “Hiring success: the art and science of staffing assessment and employee selection” (Wiley Press, 2007). The link below will take you to a site where you can download most of my papers, blogs, and publications.

<https://thehumancapitalhub.com/articles/a-short-review-of-bersins-91-page-2020-hr-technology-market-report-implications-for-hr-professionals>