Chatbots worth talking to

How cognitive solutions can accelerate
human resources reinvention

IBM Institute for Business Value

The new human resources

Digital forces are reshaping how enterprises connect with their employees. Competitive market dynamics are driving significant changes in how human resources (HR) organizations attract, develop and support talent. In the workplace, enterprise chatbots can provide a one-on-one, personalized employee experience and automate simple tasks. Chatbots can be an integral aspect of the new digital HR experience with user-centric design that builds a motivated and high-performing workforce.

Next-generation AI assistants

In a 2017 global HR survey conducted by the IBM Institute for Business Value in collaboration with the IBM Smarter Workforce Institute, 55 percent of CHROs expected cognitive computing and artificial intelligence (AI) to be a disruptive force in HR.[1] CEOs see the transformative impact as well; 66 percent agree that cognitive technology will drive significant value in HR within three years.[2]

But for many organizations, it remains a challenge to know where to begin the cognitive journey. Enter the conversational enterprise chatbot. A chatbot is an automated program designed to answer user questions via text or chat interface. Chatbots today run the gamut from rudimentary, menu-driven solutions to sophisticated, cognitive-enabled tools that can interpret the nuances of human language patterns. When designed correctly, a chatbot can powerfully engage its audience by providing useful information in natural, conversational dialogue.

Chatbots amplify the Digital Reinvention™ of HR by establishing new user-centric standards for employee experience and enablement, resulting in:

- Higher levels of engagement from enhanced self-service and consumer grade, user-centric enterprise applications.

- A more agile and adaptive workforce empowered with enterprise-wide expertise.

- Modern knowledge management that centralizes information access and focuses on continuous refresh

The return on investment (ROI) for an enterprise chatbot is expected to be rapidly realized by reducing dependence on the HR call center. Other longer-term benefits include reduced attrition, accelerated employee development and higher employee net promoter score (NPS) resulting in stronger employment brand reputation in the marketplace.

Chatbots serving industries like retail, eCommerce, banking and healthcare could bring cost savings of USD 8 billion annually by 2022, up from USD 20 million in 2017.[3]

Build a better chatbot

Meet employees where they are
Deploy chatbots where employees are already working and interacting

Get the conversation right
Work with targeted users to understand their intent

Demonstrate learning
Chatbots must reliably and consistently perform their core function

Given the extent of digital engagement in everyday life, today's workforce expects to embrace comparable digital HR capabilities in the workplace. Of the 8,600 employees in the 2017 global HR survey, 62 percent would choose to reuse a cognitive enabled tool like a chatbot to support personal HR decision-making.[4] Of course, when it comes to asking for information from a chatbot or human, what matters most is results. There are three key principles to keep in mind when deploying a chatbot for the enterprise:

- *Meet employees where they are.* To make a chatbot accessible, deploy it where employees are already working and interacting. For example, a chatbot that answers questions about travel policy obviously provides the most value when embedded in the enterprise travel site. If your organization uses an enterprise messaging platform like Slack, give your chatbot its own identity within the platform so employees can message it directly whenever they need information.

- *Get the conversation right.* Conversation design takes deliberate effort. Work with targeted users to understand their intent and verify that the chatbot is providing accurate responses. Design a personality that engages employees and encourages continued use. Humanize the experience by adding "chit-chat" greetings and salutations that are personable and return funny responses to off-topic questions.

- *Demonstrate learning.* Chatbots must reliably and consistently perform their core function. This is how trust is generated with users, and it's what builds a reputation for the chatbot that keeps people coming back. Collect employee feedback, evaluate responses and commit to making the chatbot better. And by employing AI, machine learning and other cognitive capabilities, it can become smarter over time.

Chatbots for HR are here now

A rapidly changing business environment requires an agile workforce with real-time access to necessary information. Chatbots can address this need while also enhancing employee experience.

For example, the traditional HR portal with frequently asked questions (FAQs), policy links and help forums can be reinvented as an engaging HR advisor that answers questions, directs users to appropriate resources and guides them through standard procedures. For employees looking for career guidance, chatbots that incorporate sophisticated AI capabilities can understand context and provide personalized recommendations based on skills, experience and interests.

A chatbot must provide a useful function better, faster, more conveniently and more accurately than other tools that users have traditionally used to fulfill their objectives. For example, a workplace bot that guides employees through employment benefits, health care and wellness decisions.

Unlike videos and webinars, a bot keeps users actively engaged and is easier than paging through online information or placing a call to HR. And if the bot is personable and pleasing to users, this added value encourages continued use.

Checkpoint Bob

It's all too easy to lose sight of business goals when they are only reviewed twice a year. IBM HR deployed a radically new employee performance management program with the help of a friendly chatbot to engage users and promote adoption. Checkpoint Bob enabled dialogue and feedback as employees set workplace goals. Employees chose "Bob" as their primary reference for the new HR process, asking over 90,000 questions in the first three weeks.

Get started: Energize the workforce

The organization of the future is talent-centric and AI-powered.

Deploying one or more chatbots is an effective first step on the path to becoming a digitally reinvented HR organization. An innovative vision can energize the workforce, and HR leaders can capitalize on the experience by:

- Empowering teams to build a suite of chatbots that engage employees and promote broad access to expertise.

- Starting small and building quickly, using agile techniques to evaluate outcomes and add content incrementally based on user feedback.

- Recasting HR as the champion of a transformed employee journey and designing an end-to-end experience enabled by cognitive.

Once the vision is realized, revisit it regularly to align stakeholders, guide progress and prioritize innovation. A digitally enabled HR organization can continually identify new cognitive use cases and drive new strategic value for the business.

Experts on this topic

Notes and sources

1 Various authors. "Extending expertise: How cognitive computing is transforming HR and the employee experience." IBM Institute for Business Value. January 2017. https://www-935. ibm.com/services/us/gbs/thoughtleadership/ cognitivehrstudy/

2 Ibid.

3 Infographic. "Cost and Time Savings from Chatbots for the Banking & Healthcare Sectors." Juniper Research. 2017. https://www. juniperresearch.com/resources/infographics/ chatbots-infographic-key-statistics-2017

4 Various authors. "Extending expertise: How cognitive computing is transforming HR and the employee experience." IBM Institute for Business Value. January 2017. https://www-935. ibm.com/services/us/gbs/thoughtleadership/ cognitivehrstudy/

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Tina Marron-Partridge

Global Leader, Talent & Engagement
IBM Global Business Services
linkedin.com/in/tinamarronpartridge/
tina.marron-partridge@uk.ibm.com

Eric Bokelberg

Talent & Engagement
IBM Global Business Services
linkedin.com/in/eric-bokelberg-a223b35/
ebokelb@us.ibm.com

Jon Lester

Human Resources
IBM CHQ
linkedin.com/in/jon-lester-39019252/
Jon.Lester@uk.ibm.com

Nicholas Thompson

Talent & Engagement
IBM Global Business Services
NickThompson@uk.ibm.com