Maurice Fuller

Hi everyone. I'm Maurice Fuller and thanks for joining us today. I'm with Venkat Kolli. He's the CEO of Oorwin. Today we're going to focus on the topic of AI, machine learning, and its impact on staffing, HR, and ATS systems. Venkat—welcome. We're excited to talk to you today.

Venkat Kolli

Thanks Maurice. Thanks for talking to me today. It's very exciting. It's a very interesting topic. It's something that I've been working on for a really long time, and I'm looking forward to sharing some of my thoughts and my observations.

MF

I'm really excited to hear your views. So tell us a little bit about your role as the CEO of Oorwin and your background in the industry.

VK

Thanks. So I am the current CEO here at Oorwin. We are an enterprise b2b SaaS platform that's used by service system companies and consulting companies, pretty much to manage their sales teams, their recruitment teams, and their back office. Pretty much any consulting or staffing company can run all their required functions in one platform. We are based out of San Francisco. We have offices in India and we have offices in Dallas right now. We currently have over close to 700 companies who currently use our platform globally. I've been in this industry for close to 10 plus years, but my background before is that I was a co-founder and CEO of a services company and staffing company. So I do know the industry quite well. We've seen a lot of trends, seen a lot of customers making new changes, and they're all evolving after COVID. So there's been a lot of new things that have come.

MF

Alright, excellent. Let's start by talking about the impact of AI on HR. What would you say is the biggest impact that we've seen on HR through AI, so far?

VK

I think overall there's been a big shift in the way people have been doing work.Everything has been about how fast you do things. The way Amazon works has changed our life. If you want something, you just need it right now; there's no more long waiting cycles. So the most important thing that we see here is you have to make sure, especially in HR tech, that you have to do more with less time. So that has been a big fraction.

Let's take an example of how recruiters currently in the last few years have been working. There's been a lot of repetitive tasks, and there's a huge opportunity here to automate some of these activities right now. There is one big challenge that we've seen which is a lot of buyers. Especially when hiring happens, we want to make sure hiring happens without any bias. By using AI on the HR side, you can hire the right person for the job and not be biased based on race. country, religion, or anything else. That's a very important factor.

Another important area that we've seen, especially as everyone's remote right now after COVID, is people slowly getting back to work. One of the biggest challenges that companies are facing is maintaining the relationship with an employee because an organization has all these different employees in different places, but they don't have a way to communicate and keep them engaged. I think that's a huge area where things are changing right now. Another big area is also being compliant, and especially with employees being in different states or countries, it's very important to be compliant. As HR, it's very important to figure out where your employees are and what they're doing. Are they paying the right taxes to the right city, the county—that's also very important. So compliance has played a very big factor.

And then the last one is, I think, overall talent acquisition. There's been a lot of changes. It's also very important how you onboard employees because previously onboarding was different. You would have an employee come to your office and then you'd give them offer letters. Onboarding was all manual. Now, everything is virtual. There are all these technologies that are out there for quicker onboarding. So these are some of the key areas where I see AI is making a big impact in HR, and if you ask me, over the next few years things are going to keep changing in this space.

MF

I'm sure we're going to see dramatic changes in the years ahead through AI. I wanted to continue on this AI theme and drill into another area, which is recruiting, and talk specifically about the impact that AI has had on recruiting. You mentioned bias in AI, and that's a very interesting topic. So if you could, fill us in on what's happening in that area.

VK

The way we are hiring and trying to fill up all the open requisitions has changed. Traditional companies are used to being very reactive. So for example if there is a potential opening that is there, people will react to it once it's out. But I think proactive hiring is very important, especially for recruiters, who also need to understand that. They need to start engaging with potential candidates for potential opportunities. Even for this, there is a lot of AI required because the recruiter needs to know what potential opportunities are going to come up.

At the same time they also need to start engaging with candidates because they need to figure out when a candidate will become available, so they know when and how to impact them to come and join your organization. It's very important. I see that the role of a hiring manager has changed so much because previously, pretty much all recruiters were doing was sourcing candidates and submitting them to hiring managers. Now I think it's very important for recruiters to maintain that relationship with the candidate. Relationships have become very important.

One other area that I see as very important is cultural fit. As recruiters engage with candidates, are they finding that they are the right cultural fit for your mission? I think that's a very important area. Another trend that I see is how you intelligently source candidates. Recruiters need to be more effective in using AI so they can find the right candidate fast. How do they identify for a potential opportunity in a certain location? Who's the right candidate? And they need it quickly, because like I said before, we are all getting used to the Amazon lifestyle. There is no waiting for things to happen.

There's a lot of ways in which these updates are happening. Chatbots, for example. What I've seen over the years is that previously we used to do a lot of emailing and calling, but right now I see the trend becoming texting and chatbots because people don't want to respond back immediately. They like to use chatbots or text messaging instead. That's been a big trend that we're seeing right now.

MF

Very interesting, and I like the way that you use Amazon as an example because Amazon really has transformed our life in so many ways. It really sets an example of how commerce and how business is done.

I want to talk a little bit about upskilling. As we enter this AI era, skills development is going to become incredibly important. I want to capture your thoughts on workforce skills development and how AI is being used to support that within the workforce.

VK

I think one of the biggest challenges right now, and this is a trend in the U.S. and across the world, is lack of people. There's a huge need for people right now, and hiring is a very big, important function for all businesses. One of the challenges when there are potential opportunities are companies trying to go to the market to identify who's the right match right. Because there's a lack of skill outside, what's happening is that they're not able to fill these roles. A lot of times what we see is that their existing workforce are very suitable for those roles. What companies need to do here, using AI, is to figure out who are the potential employees who can fill these roles.

There's a need to upskill your existing workforce. Technology is changing so fast, day in and day out. If you don't evolve and make sure your workforce is up to date, you are giving your competition an advantage. So it's very important to identify who your employees are, and on an individual basis. It cannot just be like, let's make a department and upskill it. It won't work. You have to identify every individual and figure out what are some of the key skills that they need to be able to move onto the next thing. Upskilling is very important right now.

With organizations, there's a lot of employee trust there. It's very important that organizations also trust their employees by upskilling them and bringing them up to speed with the latest and the newest trends so that they can do their job. It's very important. I think the most important thing here is figuring out what the gaps are and filling those gaps with training.

MF

I couldn't agree with you more. I think having an ongoing learning development plan for all employees has never been more important. I want to talk to you about another topic, which is retention. There's really interesting work that's being done now to use AI to improve retention. Tell us a little bit more about that.

VK

Retention is a very important aspect right now because retaining employees is difficult and hiring new employees is very difficult as well. There are many reasons why employees move. Sometimes when you're a larger company, people want to move to smaller companies, and with small companies sometimes people want to move to a larger company. People want to move for location. People want to move because they're getting a better title, or sometimes it's promotion, salaries, could be anything. There's various reasons why people might move on from one job.

Using AI, it's very important to figure out what is happening in the market. You can take an example of someone who is a project manager; what are the key things that you need to do to retain them? This is very important because people have opportunities right now in such a market, and competition is actually trying to target you to hire your resources. You need to figure out different ways to keep that project manager, your employee, engaged. Engagement is a very important concept.

I truly believe that it's not always higher salaries that will move someone. As long as you keep them engaged and keep them happy with what they want, employees don't leave. It's very important that companies keep them engaged at all times. AI is important in figuring out what some of the key metrics are that you have to improve in your organization so that you can make the necessary changes.

MF

I wanted to dovetail on that and bring this into the context of COVID, because COVID changed so much. We're now entering this post pandemic year, and things have changed—there's a new normal. So tell us a little bit about how COVID has changed the way we hire, the way we manage, and the way we retain employees.

VK

Post-COVID, I think one key area is onboarding. The first thing is, how do you—I would take one step back—how do you source? How do you find the right candidate? It's very important that you have a platform that can help you identify. If you have a potential opportunity, how do you identify the right candidate? It's also very important once you find the candidate to determine how you engage with them. Engagement has been a very important aspect because candidates have so many opportunities, and they always want to connect with the right company that has the right engagement process.

One of the biggest challenges you will see is a long application process, but it's less challenging if the engagement is right. Companies have five steps, and I don't think that's a big problem. If the process is that long, it's okay as long as communication happens with the candidate saying that this is the process. A lot of times companies don't communicate that and they just say, "Oh, first interview, second interview…" and then they don't tell them when the loop is going to end. I think it's very important to keep that communication open.

Also, what is the hiring time? If you're communicating to the candidate that you'd like to fill the role in two weeks, it's very important to stick to that timeline. If you don't, that's a very big challenge. Also, a lot of times companies do one way communication. They will communicate to the candidate, but they don't take feedback from the candidate. It's very important that communication is two-ways, especially when you're trying to hire and fill roles right now.

MF

You make a lot of good points there. We talked about engagement, and I want to talk about that a little bit more. You know, it's interesting. You mentioned Amazon before. Amazon seems to be doing a better and better job of communicating with us. For example, I received a notification this morning from Amazon letting me know that a package I have is being delivered here in my neighborhood and that it's a few stops away. So communications and engagement with employees is changing now that we're doing so much work from home and online. How do you see that changing in the future?

VK

I think there are a couple of things we see here. It's for the good if you ask us, because people have slowly adapted to the way of remote work. And this gives a lot of flexibility for employees working from home. At the same time not every function can be done from home, so there is a need for people to get back to in-office work. The way we see things changing is that hiring will change—it won't be in-person. There's going to be a lot of online hiring or Zoom hiring and interviewing.

Then the second aspect where we see big change is bias. There won't be bias, or at least the impact of bias is going to change. A very big challenge for a lot of companies is diversity and inclusion. It is one of the biggest initiatives for most large organizations right now. I think post COVID, online hiring will actually help organizations. They can put together a strategy on how to reduce bias in this new way of hiring with the help of AI.

MF

Interesting. I want to move on to another topic which is related to hiring, and that is employee referrals. Employee referrals are one of the best, most cost effective ways of improving the recruiting process. How is AI being used in driving more referrals?

VK

I think for me personally, hiring through referrals has always been the best way and channel that I've seen and personally do. And we've been very effective with that, as hiring profitability has gone up 280%. If there's a potential referral from one of our employees, they get preference over anyone else because there's some depth there. It's someone they have worked with, they know it's a cultural fit, this is someone who likes our company, so it's someone that we can engage with.

There's a lot of options here for AI, because a lot of times what companies do when there's a new potential opportunity is they reach out to potential partners, staffing vendors, or any other vendor management systems to find the right candidate. Using an AI platform can do alot if there is an opportunity. I'll give you an example of looking for a project manager. Automation can send that requirement to project managers in your own organization and ask for referrals. This needs to be automated. You don't want this to be where HR has to go ahead and do it, because when things become manual is when things fall off. In their minds they're used to the old way of working, so they won't go to employees and ask for referrals. It's very important to do this targeted, rather than trying to send it across the organization. You can target who has these skills and who probably would know these skills, then target them and send it to them. There's a lot of automation that can be done in this space.

MF

That's really interesting what you're thinking about there. There's another topic, which is predictive hiring decision making. We're seeing more and more predictive technology that's being used in the hiring process. Tools like Hirevue are being used to assess candidates and inform hiring decisions. So what are your views on predictive hiring decision making?

VK

I think predictive hiring is very important right now, because like I mentioned earlier, we are all used to reactive hiring. If there's a potential opportunity, then they react and will go and hire them. But if you look at trends that are happening in organizations, there's always a curve that can be identified. It can be a seasonal hiring for some organizations, right, where at the end of the year hiring is very active. But there are some organizations that hire midyear because a lot of their projects are started at that time. If you look at the trends, it's very easy for you to actually figure out what sort of roles companies are trying to fill in. How can you be ready for that? How can you make sure that you identify the potential candidates you're going to try to hire?

For example, say you're trying to hire 50 people to manage your stores in the northeast. So how do you figure out how to source those candidates beforehand, so that you're ready for that seasonal hiring? It's very important to do predictive hiring, and it's easy to do it because you have data. You have data on how you have hired before, and now you can predict hiring for the next, and next, and next seasons. Companies should slowly start looking at their hiring data and then make decisions.

MF

That's absolutely fascinating what you were saying there about looking at seasonal patterns and looking ahead using AI to predict where this is moving and to start laying plans using software and AI to get ahead of the hiring. That's very interesting. So along those lines, I want to talk to you a little bit about HR tech. I know you spend a lot of time thinking about AI. Overall, what are some of your views on AI and HR tech and where that's all headed?

VK

In terms of HR tech right now, I think an impact of AI that a lot of people are concerned about is job security; is AI going to take my job away? I truly believe that it's not going to take jobs away. I think it's just going to make people more effective in what they're trying to do. The jobs won't go away, but there will be new ways in which people are going to be doing their work. Currently the most important thing, especially in AI, is automation. How do you take some of these repetitive tasks and how do you automate them?

First step in the near future is that automation is going to happen. Once automation is a little more stable, that's when you look at all these forms of automation and think, how do I augment talent acquisition? How you automate is the next step that will come up. Then after augmentation is how you amplify this and how you make sure that you use all your AI models and all the data that you have now to make better decisions. That takes time. Again, a lot of people think of AI as something that you just buy outside in a box and it fits. It doesn't work like that. It's like having a baby and training the baby over a period of years.

It's very important for people to start that journey right now to figure out what some of the areas are in which they have to start implementing automation—and try to be patient. Slowly take that journey towards complete automation, over the next few years. Again, I recommend everyone to start the journey right now, because there is no good time or bad time. Once you start the journey towards making sure you have the right tool and the right technology in place, make sure you have everything that you'll need ready and make sure your people are ready for the change, too.

MF

This comes back to upskilling and the importance of upskilling so as jobs are automated, we have our workforce prepared so they can move up in terms of the value that they're providing. Well, this has been a really interesting conversation. I've very much enjoyed talking with you today. If you'd like to learn more about Oorwin, I definitely recommend that you reach out to Venkat or someone on his team. I want to thank everyone that was on this podcast. We look forward to seeing you next time. Thanks, everyone!