



Human Resources and the Wisdom of the Crowd

By Wes Wu, Appirio

Consumer technology is one of the most beloved technology developments of the last decade, and many consumer technologies in use today are not only mobile, but use the power of the crowd to help us make decisions in our daily lives. Consumers love any app on their tablets and phones that allows them to easily figure out what's good and what's not. When they go looking for a restaurant, the first thing they do is log on to Yelp and sort the results by overall user rating. When shopping on Amazon.com for any particular product, the first thing people do is skip the product features and go straight to the user reviews. In either case, consumers assume that the wisdom of the crowds will work, and the best choice will avail itself if our needs are presented correctly through searches and filters. If at first a consumer likes how one product looks, but later finds it has a user rating of 3.5 stars while another is a 4.5 star product, who are they to argue with a few hundred people who have actually used both products? Such people spare no words in telling other anonymous strangers what they liked, what they didn't like, what to eat and what to avoid. They are the friends with great advice that we have never met.

The idea of crowdsourcing as a consumer concept is quite palatable for most people. But, applied to HR, crowdsourcing seems like an extreme proposition. The idea of rating systems in crowdsourcing is prevalent on both consumer applications and in HR, although the convergence of the two spaces tends to frighten HR departments. Allowing employees and managers to provide input so that others can locate information is a notion that does not come easily to the corporate function that is perceived to

be primarily a service organization. Moreover, HR tends to hide behind compliance and regulatory reasons to maintain control over HR conversations, in case an employee is given the wrong information. Still, another reason cited is the privacy concern when employees have HR-related inquiries.

Yet, fundamentally, HR exists to provide answers to employees and managers who need information. Employees need access to information and feedback about their jobs. This article will explore how HR can use crowdsourcing to gain efficiency and effectiveness through two use cases: provide employees better responses in service delivery inquiries, and transform the talent management function within HR.

Employees need access to information and feedback about their jobs.

Crowdsourcing HR Service Delivery

For almost two decades, HR has been implementing traditional HR service delivery models complete with traditional call centers. People, in their personal and consumer lives, might call their cell phone provider's telephone call center on the same device they are accessing Amazon and Yelp mobile applications, yet experience completely different levels of service from the vendors. With the cell phone provider call center, they will be on hold for 30 minutes, while on Amazon, they have their orders fulfilled with a literal press of a button. At the call center, they log a case, explain the whole thing, and then it all goes away after waiting on hold for half an hour. All the while, that consumer is wishing he or she could have performed the entire transaction online, or better yet on a mobile device.

Human Resources' service delivery needs to be like Amazon and Yelp, instead of the all-too-familiar call center experience. Many organizations have some form of enterprise social media or network behind the corporate

firewalls that can be leveraged to create real-time and more effective communications between HR and employees. Why can't employees ask a question on a social corporate intranet and allow HR and multiple other employees (crowds) to provide us with the insights we want? Imagine a simple health care provider inquiry that is commonly answered by HR call centers:

Question: Can my domestic partner be covered under our health care benefits?

Answer 1: (Employee) Yes, that changed for us a few years ago. You should be good to go!

Answer 2: (HR) Yes, ACME Brands are fully supportive of any domestic partner arrangement. Here's a link to the policy...

Answer 3: (Employee) I asked this question last year. You can enroll your domestic partner as you would a spouse in the enrollment process.

Answer 4: (Employee) I'm not sure what the policy is, but there is an established group on social that might discuss some of these issues ([link here](#)).

As consumers, we find that that this sort of social interaction provides a much greater level of clarity than simply asking a question. Because of the crowd (a crowd can be as small as four persons), the answers provided may span a variety of contexts and experiences, most of them meaningful in different ways.

Human Resources routinely does a highly proficient job of providing the right answers and appropriate documentation, but can become hampered when faced with providing additional information that may compromise its role of an official communications device of the company. Nevertheless, in the vast majority of our experience with many clients, non-HR employees (the crowd) seldom intentionally provide bad or wrong answers. If someone does not know, he or she is not going to fake expertise in order to answer a question. In the workplace, employees' decisions about what to discuss contributes to the perception of their capabilities and professional suitability for their role – and research shows that employees will actively cultivate their workplace identities.¹ Providing misinformation or wrong information puts an employee's credibility at risk.

What's important to realize is that social inquiries presented to HR allow users not only to get the appropriate answer to their question, but the context from other employees as well and, perhaps, even create additional engagement.

Question: "What's our vacation policy?" Answer: "3 Weeks! ([link](#))."

This allows HR to focus on less tactical issues around managing routine inquiries and case management and increasing activities that are more central to the business. Moderating social interactions within the corporate crowd is still essential, but is much less effort than directly answering each inquiry, and provides simi-

lar quality results. Modern tools that also allow HR or the employee to identify the correct or "best" answer also helps to ensure that correct information is provided.

In principle, crowdsourcing provides a simple and elegant solution. In practice, several objections frequently arise.

Common Objections to Crowd HR Service Delivery

In principle, crowdsourcing provides a simple and elegant solution. In practice, several objections frequently arise. First, how does HR know that there won't be five different answers, and how does HR differentiate what the right answer is? More and more technologies that do Q&A, e.g., Yahoo Answers or Quora, have the ability to indicate what was the right or best answer to a question. If response accuracy can be controlled through the employee, yet contains a safeguard that allows an HR community manager to override the answer when it contravenes a policy or compliance issue, then any compliance problem has been circumvented. Human Resources has now marked the right answer, and anyone who searches to access the question later will have the answer. Such a technique represents one of the benefits to crowdsourced HR service delivery. Searchable Q&A threads become available for all employees as a curated and tested knowledge base.

Another concern is how HR ensures that there is no bad behavior, including inappropriate comments, "flaming" against other employees, and any other undesirable communications. Again, the overwhelming majority of our experience indicates that employees are able to segregate the communications that they put on their personal Facebook pages and what they do in the workplace social environment. For example, Colorado employees that will tell everyone on Facebook that they have great pot brownies at home will also know that such a post is completely inappropriate in the workplace. Those same employees will self-censor when they want to make an insensitive joke in response to a gender change inquiry. Employees have come to rely on boundaries to delineate their professional and personal domains.² In an effort to ensure that professional relationships are advantageously situated, employee "bad behavior" is much less prevalent in professional settings.³ Even though common sense suggests that there will be some bad behavior every now and then, workplace communities have been particularly diligent about self-policing. Communities will courteously inform other members

of inappropriate behavior, and they do so quickly before HR even has the chance, or the duty, to intervene. So long as social policies are clearly deployed, the crowd community can be relied upon to set boundaries and correct most inappropriate behavior.

Lastly, HR may feel like it is relinquishing control when allowing users to crowdsource activities outside of the normally prescribed HR processes. In fact, it does not have to. Crowdsourcing environments can craft ways for HR to stay in touch while, at the same time, getting and giving better data. If the person asking the question simply adds “#HR” to a post, HR can either be informed automatically, or the #HR tag could even automatically create a case in the case management system that denotes it as a tracked inquiry. Human Resources’ ability to maintain a level of involvement and manage interactions is still very high when comparing social crowdsourcing techniques to traditional methods. On another level, HR actually gains control by creating more time to spend on strategic activities, rather than being a “hall monitor” for social conversations.

Social HR service delivery nevertheless requires both HR and managers to trust their employees. Our company has noticed that baby boomer and Generation X demographics tend to treat HR inquiries with a bit more privacy and decorum, while Generation Y and younger demographics might not see a problem publicly asking “who is a good physical therapist for the hurt back they got falling in a drunken stupor on Saturday.” Communication methods and expectations are changing rapidly, and HR service delivery channels should be conscientious in adapting to the increasing diversity of the workplace environment.

Crowdsourcing Talent Management

As mentioned earlier, most people are crowdsourcers, even though they don’t realize it. A typical consumer has probably shopped on Amazon.com and used the crowdsourced ratings system to assess a product. The consuming public has gotten used to giving and receiving ratings, and that those systems are part of a larger ecosystem where the crowd will contribute to form an average opinion of any product. Consumer rating systems are so pervasive on mobile devices that it is difficult to find a place where ratings are lacking and consumers have become so accustomed to crowd-based review systems that they are frequently and completely dependent on them for the simple act of figuring out where to eat dinner or which widget to buy. They so firmly believe in the wisdom of the crowd because hundreds of people simply can’t be wrong and the law of averages will ultimately play out. Crowd mentality using rating systems in the consumer domain is so strong that the next logical evolution is bringing this into the workplace and HR practices, as talent comes to expect a similar consumer-like experience at work.

Crowdsourcing can help solve some fundamental prob-

lems in talent management. Effectiveness in performance reviews is an area HR has been struggling with for decades – everyone hates the performance review, and employees and managers alike find little value in them. In principle, the performance review process could create a valuable dialogue, while in practice HR analysts are reduced to coming up with a magic number that they can correlate to other activities like succession and compensation. If HR didn’t need concrete and quantitative data inputs to be used in other processes, they would abandon the performance review as well. Crowd-based feedback solves annual review problems by democratizing performance management and ultimately extending the manager’s ability to make the right decisions by having a broader and deeper understanding of the employee’s capabilities.⁴

Given real-time feedback, employees might actually know what they should be working on in real-time.

Common Objections to Crowd Talent Management

As with crowdsourced service delivery there are similar concerns regarding talent management; the talent process contains more than just feedback. Traditional performance reviews are loaded with a parking lot for all the development activities that must happen within the year. Goals, development plans, and sit-down evaluation meetings should and could still happen, but the value of real-time feedback from the crowd provides the value of immediate insight and action.

Given real-time feedback, employees might actually know what they should be working on in real-time. They would know what their strengths are and what they should work toward improving. They would have a clearer picture of how their work contributes to the organization’s success each day, instead of as an afterthought each year. Research shows that the feedback employees receive from their professional contracts trigger shifts in professional choices. Such feedback often includes strong and clear expectations for professional behavior and actions.⁵

Secondly, HR often seems skeptical of an employee’s ability to accept change. Yet, the flip side of such skepticism is the quality of information that is used to rate performance. There are still privacy issues, and some raters may not want to provide unfavorable feedback. When it comes to raters who are reluctant to provide adverse judgments of their peers, there is really no reason why

security could not exist to leave the rater field as optional. Or, it could be made so that only the employees and their direct managers can see the feedback. Company culture could also be a driver since most employees truly do value constructive, relevant feedback. Employees could be specifically allowed to request feedback at any time from any person, or make it so easy that everyone simply logs in to their phone at the end of meetings and presentations and takes 45 seconds to provide feedback. This ongoing feedback can be similar to 360-degree feedback, but occurs in real-time and in real situations to provide employees with actionable improvement areas.

Lastly, HR will argue that transparency in employee ratings and feedback works against privacy standards and will increase toxic forms of competition in the workplace. If absolutely necessary, feedback and ratings could be secured so as to be visible only by the feedback recipient and his/her direct supervisor. Regarding competition, HR may wish to become more conversant in gamification, which has been shown to increase productivity, as each employee seeks to be at the top of any leaderboard (or at least not at the bottom of it). Yet, ultimately, it's not transparency or competition that will make a huge difference to any organization, but the fact that real-time feedback allows employees to understand how their daily work can be improved.

Crowd-based employee ratings and performance processes must be simple to administer, provide real value to the employee, allow HR to keep its goals and competency frameworks, and link to other processes like succession. While there may be generational differences, employees increasingly want to see 4.3 stars next to their names and understand collectively what they are doing right, receive guidance on correcting what they are doing wrong, and gain insight in how others feel about their work. And, next year when the crowd rates them at 4.4, employees will feel a better sense of achievement than that annual performance review with a score that everyone will soon forget.

The Workplace Consumer

Consumer technologies continue to move into the workplace. As habits change outside of the workplace, expectations change within it. Even though HR has traditionally been a conservative function, opportunities for expanding

effectiveness and employee engagement through crowdsourcing abound. Human Resources will be challenged to overcome perceived obstacles and reimagine programs that have existed for decades without significant change. But, just as consumers have moved from shopping at malls to the Internet and now to their phones, employees will demand more effective solutions to their HR problems.

Whether HR uses the crowd to answer HR questions or provide employee feedback, crowdsourced HR can be the most efficient way for employees to get answers to the information they need.

Endnotes

- 1 M.R. Leary & R.M. Kowalski, "Impression management: A literature review and two-component framework," *Psychological Bulletin*, 107: 34-47, 1990.
- 2 N.P. Rothbard & L. Ramarajan, *Checking your identities at the door: Positive relationships between non-work and work identities*, and L.M. Roberts & J.E. Dutton (Eds.), *Exploring positive identities and organizations: Building a theoretical and research foundation*, 125-148, New York: Routledge, 2009.
- 3 K.W. Phillips, N.P. Rothbard, & T.L. Dumas, "To disclose or not to disclose? Status distance and self disclosure in diverse environments," *Academy of Management Review*, 34: 710-732, 2009.
- 4 E. Mosley, "Culture of Collaboration: What does crowdsourcing mean for HR?" *Leadership Excellence*, 30(10), 9-10, 2013.
- 5 M.G. Pratt, K.W. Rockmann & J.B. Kaufmann, "Capitalizing on diversity: Interpersonal congruence in small work groups," *Administrative Science Quarterly*, 47: 296-324, 2006.

About the Author



Wes Wu is a managing consultant and director of Research & Insights at Appirio. He provides clients with strategic advice around HR technology and service delivery and leads Appirio's research initiatives. He can be reached at wes.wu@appirio.com.