How Blockchain is getting into the nitty-gritty of HR Applications

Invented by Satoshi Nakamoto, blockchain technology provides a decentralized ledger of all transactions across a peer-to-peer network.

Blockchain attributes can be leveraged in HR for -

- Authenticity
- Security
- Immutability
- Traceability

Blockchain in HR

1. Recruitment

Recruitment activities like verifying the candidate skills on a resume and sourcing candidates can now be managed on blockchain networks.

How this can be done by blockchain?

A Digital Resume Verification System could be built where in the candidates can upload their resumes or profile details on an open source, public blockchain platform that supports smart contracts such as Ethereum. Smart contracts would help verify the resume details. For candidate sourcing, once the candidate information verification is complete; recruiters can add offer letters on blockchain blocks.

Startups working in this direction: APPII, Jobeum

2. Payroll

By removing the third parties involved in cross-border payments (managing overseas payroll, international expenses, and tax liabilities), blockchain makes the international payments simple, secure, and cost effective.

How this can be done by blockchain?

The complex payroll calculation along with the time and attendance details can be done on Ethereum blockchain. The Ethereum based smart contracts can execute the payment as per the hourly details of the attendance.

Startups working in this direction: Etch, Futurice
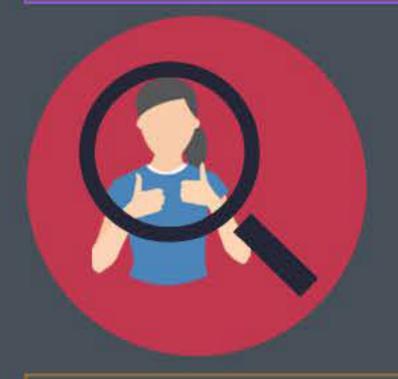
3. Performance Management

Performance management is also an important record maintaining activity consisting of different kinds of data such as emails, surveys, feedback forms and conversations.

How this can be done by blockchain?

Employee goals, KRAs can be put on the blockchain blocks. Permissioned blockchain can be used to give the validation rights to Reporting Manager and Matrix Managers. The managers can validate the KRAs; add inputs and suggestions which can be collected in the blockchain. At the end of the year all the blocks can be validated and be seen by the employees and their respective managers.

Startups working in this direction: RecordsKeeper

4. Background Verification

Background Verification involves human and third-party intervention which tends to make it a bit slower and expensive.

How can this be done by blockchain?

Using blockchain, all the candidate's records; including identity proof, can be pre-validated and stored in a secure platform. Candidates can manage their profiles and provide access to the employer when required. This will eliminate the need for third-party verification services that add to the costs and save time.

Startups working in this direction: Credyco, ExistenceID, TiiQu

Harbinger Group