

# Next-Gen HR Solutions

## Integrating AI for Competitive Advantage

How Generative AI is Reshaping the Future of HR Technologies



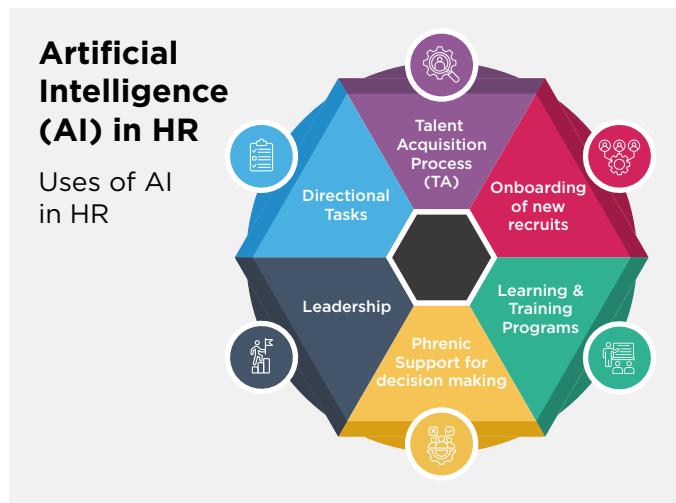
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# The Rise of AI in HR

Since the term “artificial intelligence” was first coined in a 1955 academic paper, the AI phenomenon has continued to move into new areas of adoption. For HR, AI has a relatively younger lifespan, yet experts say the potential upside on how AI can deliver a major advantage for the HR profession, employees and employers is moving full speed ahead.

## Current Landscape of AI in HR

Today HR tech providers are constantly working on offering new, innovative ways to incorporate AI into their product lines. At the same time, embedded within those advances is the importance of providing “user-centric” AI design principles, focused on “putting the employee experience first.”



Jason Averbook, a senior partner at Mercer, explains that up front in any discussion of AI and HR is differentiating between rules-based AI – which has been around since AI debuted – and Generative AI, with the latter garnering the lion's share of the HR tech hype right now.

“The ways that HR tech vendors today are incorporating product features is really looking at workflows and asking ‘where does AI make the most sense?’” Averbook says, offering, for example, when a recruiter enters job description content. Rather than writing it in words or doing research in another tool and then copying and pasting it into a vendor’s tool, the alternative is using the Generative AI capabilities of creating and editing content within a single tool.

“When we think about that process, suddenly it becomes ‘Wow, I can analyze data from transactional systems right in front of me; rather than by generating responses formally known as reports,’ ” he explains.

Averbook says one of the most beneficial aspects of Generative AI is that it aligns itself to how humans interact – whether that happens in recruiting, performance, learning, compensation, communications, employee experience or employee services. It can work across all of those HR component processes, he says.

“The areas that are the easiest for AI are tech-based generating capabilities, and those right now are going to be primarily in areas like recruiting, performance, benefits and communication,” he says. “But we’re going to see much more Generative AI when it comes to other data and data sets going forward.”

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**Jason Averbook**  
Senior Partner  
Mercer

# Expanding the Scope of AI in HR

According to Chris Pinc, Head of Innovation and Solutions, Employee Experience Business, at WTW, AI's impact – past, current and future – is undeniable.

For instance, while AI has been successful in talent acquisition for a relatively long time, particularly related to resume screening and assessment, Pinc says there are some newer areas where a lot of exciting work is happening.

"One is in automated coaching via chatbots, both for employees and managers," he says. "Some startups are making fast progress in this space."

Pinc says another advance is in employee experience software. AI can provide tremendous insights in analyzing employee responses to open-ended survey questions, and also in making it easier for employees to get questions answered about programs and benefits, such as asking about a tuition reimbursement policy, for instance.

"AI will not only touch most HR processes, it will eventually touch most knowledge work in general," Pinc says. "On one level this will be very basic and pervasive in terms of how people interact with software in general. It will become incredibly common to ask computers to do things – either by voice or in writing – in all types of software programs."

Similarly, he adds, more and more of the routine work done by professionals in all fields will be automated, freeing up time for more value-added work. In terms of specific use cases for HR, it will augment the skills and knowledge of professionals across the HR universe.

For example, Pinc offers how an interactive chatbot will enable members of a Center of Excellence to easily query best practices, compare their own approaches to those best practices, and identify the biggest gaps. Or a chatbot will enable a team member to upload a given plan or policy, ask if it complies with the latest relevant regulatory requirements, and send an alert when a legislative change puts them out of compliance.

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**Chris Pinc**

**Head of Innovation and Solutions**

Employee Experience Business,  
Willis Tower Watson

# AI Represents a “Strategic Evolution”

According to Thad Price, CEO with talent acquisition provider Talroo, incorporating AI into HR technology is not just a trend; it's a “strategic evolution” that's reshaping the recruitment landscape. Price explains that as Talroo has navigated through the complexities of the job market, it's clear that AI has become an indispensable ally in enhancing the recruitment process, providing both speed and precision.

“This technology is being integrated into product features in several innovative ways that benefit both employers and job seekers, ensuring that the recruitment experience is both efficient and humane,” Price says, adding, for example, that AI-driven analytics are being used to parse through large datasets to identify workforce trends and predict future hiring needs.

He notes that this predictive capability allows companies to proactively plan their talent acquisition strategies, staying one step ahead in the competitive job market. Additionally, he says machine learning algorithms are being employed to match candidates with job vacancies more accurately, considering not only the skills and experiences but also the cultural fit and career aspirations of each candidate.

“This precision in matching goes beyond what manual processes could achieve, reducing time-to-hire and improving the quality of hires,” Price says, adding that chatbots and virtual assistants powered by AI are becoming common features in HR tech products.

“This immediate interaction enhances the candidate experience, making them feel valued and connected to the company from the outset,” Price says. “Furthermore, AI is being used to automate administrative tasks, such as scheduling interviews and sending follow-up emails.”

According to Price, incorporating AI into HR technology is not about diminishing the human aspect of recruitment; it's about enhancing it. He adds that by automating routine tasks and providing deeper insights, AI allows HR professionals to devote more time to engaging with candidates and employees on a personal level.

**“This integration of technology and human interaction is essential for building a strong employer brand and a positive workplace culture.”**



**Thad Price**  
CEO  
Talroo



# Enhancing Workforce Resilience and Employee Experience

Jan Bruce, CEO and co-founder, meQuilibrium (meQ), which offers Generative AI technology that illuminates overall workforce risks in an organization while offering actionable, personalized interventions to individuals, says one of the key motivations for incorporating Generative AI into HR technology is to improve workforce resilience to drive performance.

“Organizations collect complex sets of data about their workforce, but it’s often a challenge to identify the underlying psychosocial factors impacting risks to employee well-being and performance, and act upon the data,” Bruce says. “AI can illuminate overall workforce risks in an organization and provide actionable, personalized interventions to individual employees.”

AI also can make a difference when it comes to obtaining deep insights and key interventions that are operationally relevant to organizations, she says, adding that the aforementioned analytic capacity of Generative AI provides workforce insights faster, more efficiently and in ordinary language.

“HR leaders will not need Ph.D.-level analyst support to understand what the information is telling them,” she says. “They’ll be able to enhance and advance their well-being and resilience data and know what’s going on in their companies.”

Bruce explains that meQuilibrium’s new Generative AI well-being tool, “sparQTM”, can identify and address root causes of key workforce engagement, performance and well-being risks.

“This use of AI enables businesses to more easily identify hidden risks that are driving diminished employee mental well-being and decreased productivity, such as burnout, disengagement and anxiety, and provide better direction for remedial actions,” she says.

Bruce adds that with the analyses offered by Generative AI, C-suite leaders and HR managers alike will also be able to see clearly which actions best foster resilience in their people. She notes that the clarity will in turn equip them to take swift, accurate and effective action.

**“Generative AI to build workforce resilience in the workforce may well be revolutionary technology, however, AI is not the endgame.”**



**Jan Bruce**  
CEO  
meQuilibrium

# Driving a Better Employee Experience with AI

When it comes to the objective of putting the employee first by offering user-centric principles, Mercer's Averbook says that Generative AI will be the key driver in massive changes to employee experience.

"It does mean everyone will have their own experience, you might say," Averbook explains. "Now, for a lot of people who have been in this space for a long time that sounds like a nightmare. But it's not. In the past, it has been the human trying to figure out how to make the machine work; today it's the machine understanding the human."

"That's a big shift that's happening day-by-day in the world of employee experience," he says.

Averbook explains when people think about the importance of user-centricity or human-centricity principles, AI will put the employee at the center. That is, as long as the people designing the AI tool take the time to understand how the workflow could function going forward - and embed generative AI capabilities and understanding in the right spots.

Averbook believes the AI-enabled "completion of thought" concept is already in play within tools like Microsoft Teams or Slack, where a person is typing something and the application suggests phrases to complete the thought of what they are asking for.

"That's a very simple use case, but it's a perfect example of how learning how to navigate Generative AI - by knowing me, learning me, predicting me, looking at specific patterns of data - automatically creates a superior employee experience," he says. "The question becomes where and how is the vendor using that in the design of the products."

According to Willis Tower Watson's Pinc, AI offers tremendous potential to put the employee experience first in many ways. For one, it will make coaching truly scalable, so that it's available to all instead of a select few.

"It will make it easier for employees to share their opinions and for those opinions to be heard and

understood," he says. "It also will provide concierge-level support on transactional tasks that today tend to be cumbersome and often confusing."

That said, Pinc adds, HR technology - much like all enterprise-wide technology - is likely to lag behind consumer-facing technology when it comes to modernization of the user interface. As a result, employees are likely to experience some frustration with their current tools while HR technology works to catch up to advances that are likely to come along sooner to the consumer space.



# A Positive Impact Within Onboarding

Talroo's Price says the positive impact of AI on employee experience is most evident when technology is used to streamline and personalize HR processes. For example, he says, AI can tailor onboarding programs to individual needs, learning styles and job roles, making new employees feel welcomed and valued from day one.

"Similarly, AI-driven platforms can offer personalized learning and development paths, recognizing and nurturing each employee's unique talents and career aspirations," he says.

On the flip side, Price warns, without a user-centric approach, AI can backfire and lead to a negative employee experience. For instance, he explains, overly automated communication lacking personal touch can make employees feel like just another number in the system.

"Moreover, if AI tools are difficult to navigate or understand, they can become a source of frustration rather than facilitation, hindering employee engagement and productivity," Price says.

In practice, Price says blending AI with HR tech to improve the employee experience involves creating systems that are intuitive and responsive to user feedback. He's seen scenarios where AI-driven HR systems dynamically adapt to the changing needs and preferences of employees – such as adjusting benefits packages based on usage patterns or providing career advice based on individual performance data and market trends.

"These systems not only serve the practical needs of employees, but also demonstrate a genuine investment in their personal and professional growth," he says.

**"Ultimately, the successful integration of AI into HR hinges on designing technologies that are human-centered, enhancing rather than replacing the human elements of HR."**

# Closing Thoughts on AI and HR

Willis Tower Watson's Pinc's view is that first and foremost, HR leaders need to be thinking about AI from three perspectives. The most obvious is how AI will affect the HR function, but the other two are equally - or maybe even more - important, he says.

Pinc explains the second critical perspective relates to how AI will lead to transformation and disruption in business in general. With that, he says, employers will be automating significant parts of the work they do, and HR will play the key role in reskilling employees or managing restructuring efforts.

"AI will enable companies to develop totally new products and services and HR will play the key role in attracting, retaining and engaging the right talent to make this happen," Pinc says.

The third leg relates to the major impact AI will no doubt have on employees and their experience. For example, he says employees will have concerns about their job security and HR will need to help manage those concerns.

"AI will enable employees to take on new kinds of work by augmenting their skills, and HR will need to help find the best way to make use of their new capabilities and reward them appropriately," Pinc says.

He believes AI could even prompt employees to expect reduced work hours/days or have more options for remote or flexible work, and HR will have to navigate whether this makes financial sense.

"In short, AI is likely to fundamentally alter the relationship between employers and employees, and HR needs to play the key role in managing those changes in a way that provides the best possible outcomes for both," Pinc says.



# AI: More Than a Single Meaning

In the end, Mercer's Averbook says a critical aspect of AI and HR is that decision makers should not simply approach AI and think it has a single meaning.

"AI is a piece of technology, as people have heard me say for years," notes Averbook. "What's most important is to understand that to use this technology in a way that's going to be optimal for everyone is having the proper mindset. It means understanding 'What I'm trying to do and why I'm trying to do it?' and 'What's my measure of success from an outcome standpoint?'"

He adds it also means understanding that people actually don't think in terms of "processes," they think about "journeys."

Finally, he says, employees will want to know how they best can use this amazing, emerging technology.

"This is modern day 'printing press-like' tech," he says. "People need to use it in ways to enrich and amplify their employee experience as a human, and also their employee experience as an HR professional."

However, Averbook cautions, it's not automatic. It "takes intention," he says, adding that the way to approach AI is threefold: educate, experiment and enable. He adds explains that AI in the workplace is currently in the education phase, but progress is imminent.

"We're just starting to move into the experimentation phase," Averbook concludes. "Through the rest of 2024, a lot of experimentation will continue to happen. Next, 2025 is going to be the year of enablement, the time when we'll start seeing very strong use cases. With that, we'll start to see the world of employee experience change forever."

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## About the Author



Tom Starner is a freelance writer based in Philadelphia who has been covering the human resource space and all of its component processes for over two decades.