

Al and HR: Understanding Opportunities, Challenges, and Risks

Thursday, April 4, 2024 | 1:00 p.m. ET

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CUPA-HR Webinar

Presenter



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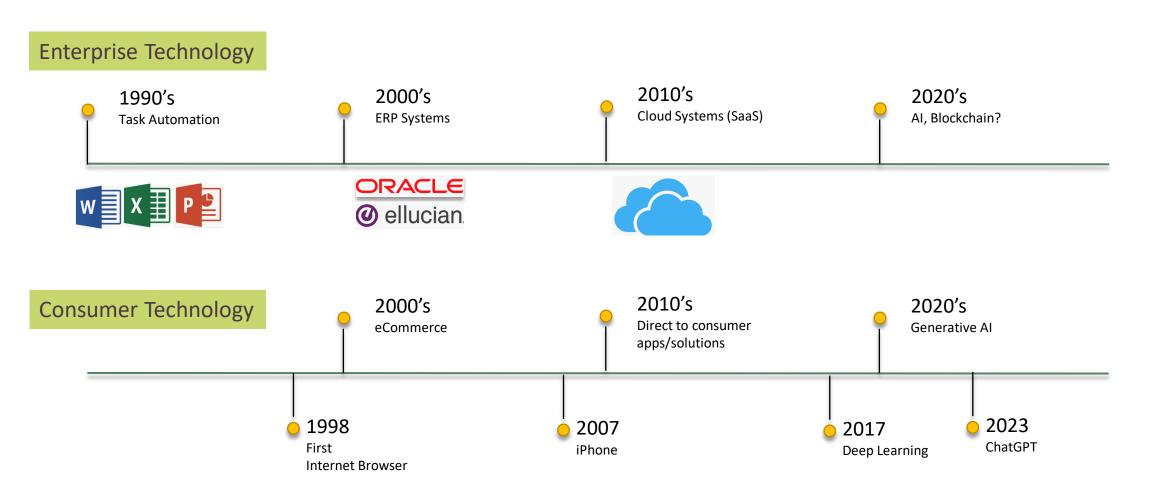
Goals/Agenda

- Get a better understanding of AI and how it works
- Understand its impact on HR Opportunities, Challenges, and Risks
- What you can do to continue your awareness and adoption journey

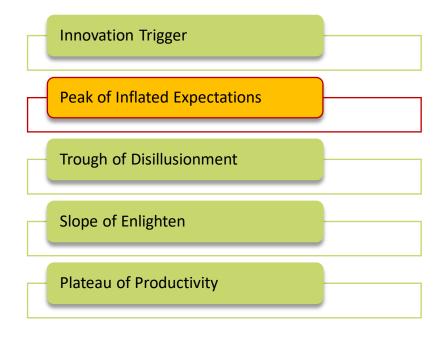


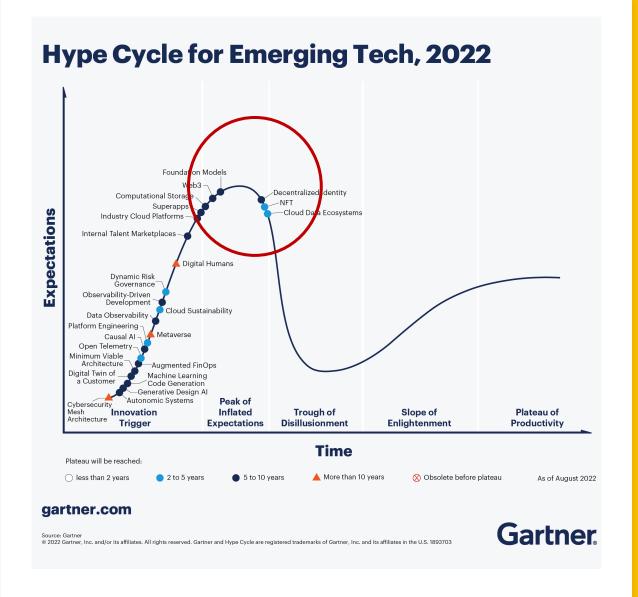
GENRE: professional conference | EMOTION: excitement | SCENE: A professional male giving a presentation to a captive conference audience of approximately 50 people | LOCATION TYPE: conference classroom | STYLE: real life photograph | TAGS: professional, work, Human Resources

How we got here: Evolution of tech – productivity tools to automated operations



The technology hype cycle





What exactly is AI? Data Science vs AI

Data science – engineering approach to data

The main objective of data science is to extract meaningful insights, patterns, and knowledge from large and complex datasets to drive informed decision-making, solve business problems, optimize processes, or gain a deeper understanding of phenomena

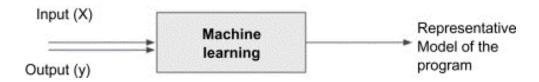
Al

The primary objective of AI is to develop systems that can **simulate human intelligence**, **understand**, **reason**, **and perform tasks autonomously** or with minimal human intervention. AI aims to create intelligent agents capable of learning, adapting, and making intelligent decisions.

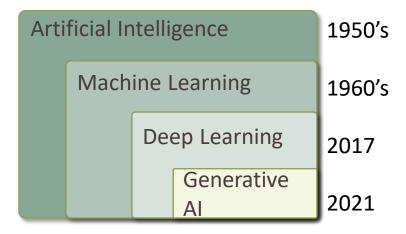
How does Al work?

Machine Learning (ML): Provide a way for systems to synthesize data, learn from it and use the insights to improve over time. ML turns the traditional programing model upside down





Rule Based or Pattern Recognition



Deep Learning

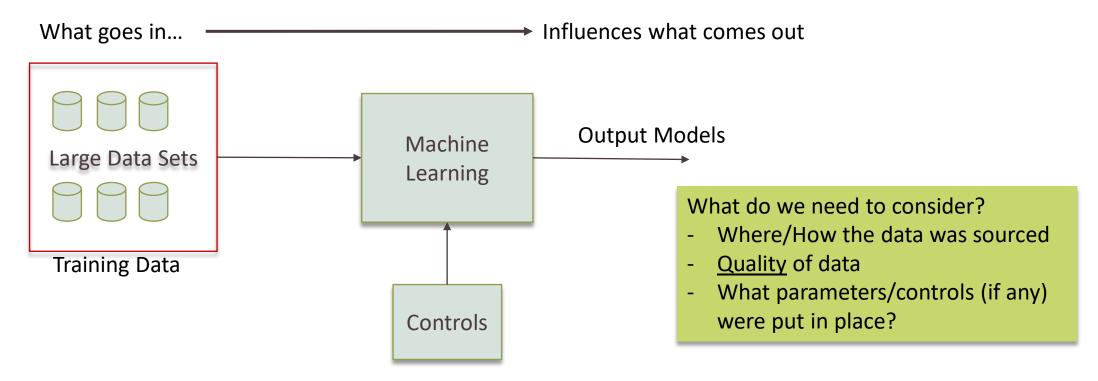
A ML technique in which layers of neural networks are used to process data and make decisions

Generative Al

Create **new** written, visual, auditory content

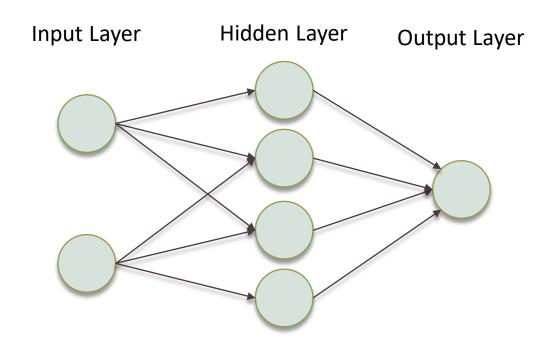
Source: Data Science Concepts and Practice (2019) Vijay Kotu and Bala Deshpande

How does Machine Learning work?



In 2020, OpenAI released GPT-3, which featured 12,288-dimensional word vectors and 96 layers, for a total of 175 billion parameters.

Neural Networks



In 2020, OpenAI released GPT-3, which featured 12,288-dimensional word vectors and 96 layers, for a total of 175 billion parameters.

Challenges

Limitations of Machine Learning	Correlation vs Causation; Perpetuating Data Bias; lack of transparency, AI does not know the <why></why>
Data Hallucinations (i.e. factually incorrect data)	Inherent risk of Generative AI
Bias and Discrimination	Human bias in data sets that is perpetuated in Al models
Limited Effectiveness for HR	Human behavior is complex and majority of human decision making factors are outside of HR data sets
Repeatability	Generative AI does not work in applications where repeatable, predictive results are expected

Example

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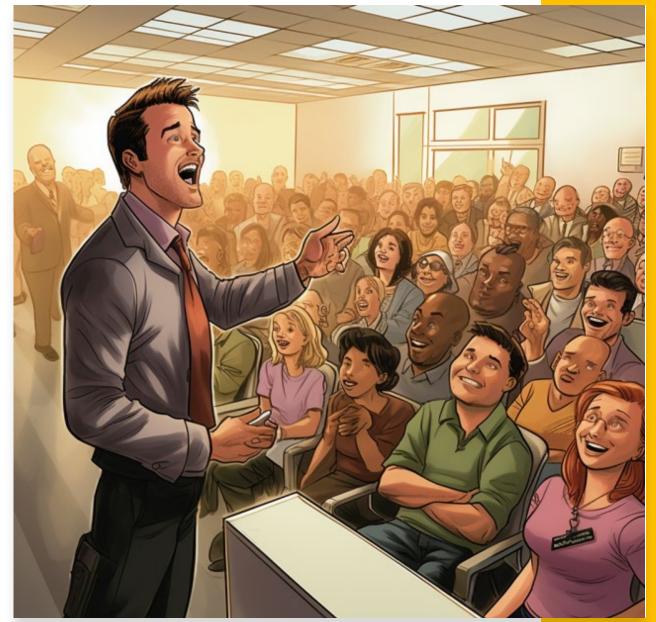
Future of Generative Al applications in the workplace

Productivity Tools:

Voice synthesis, image generation, writing aids, language translation, chatbots, content summarization, music and art generation, code auto-generation, speech to text, and others.

• Enterprise solutions:

Where the "why" does not matter. And where 80% is good enough and there is sufficient oversight with minimal risk.



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Al and HR: Opportunities (Productivity)

Marketing and Communications

Create flyers, announcement, memos, employee communications, presentations, etc. (ChatGPT*)

Generate generic/stock images to support above activities and more (<u>Mid Journey</u>, <u>Dall-E</u>, <u>DreamStudio</u>, <u>Microsoft Designer</u>)

Making sure your emails to your co-workers is worded with the right nuances (ChatGPT)

Learning and Development

Voice synthesis for training videos (<u>Speechify</u>), better closed captioning, auto-creation of "how to" documents (Tango)

Learning new skills at your own pace- custom training plans (ChatGPT)

Talent Acquisition

Analyzing individual resumes, cover letters, first draft of job descriptions. Drafting interview questions, (ChatGPT)

^{*}ChatGPT used as a synonym for Text based generative AI tools as ChatGPT, Microsoft Co-pilot, Google Gemini

Al and HR: Opportunities (Productivity)

Compensation

First draft of job descriptions. (ChatGPT)

Performance Management Summarizing your yearly accomplishments, evaluating your goals to make sure they meet the SMART criteria, developing draft training plans,

Employee Engagement Summarization of employee written responses to keep them anonymous (ChatGPT)

General Use

Developing Project Plans, Communication Plans, Change Management, Researching (<u>ScholarGPT</u>), Meeting Summaries (<u>Otter.ai</u>), Idea Generation, etc.

Data Analysis

Personal Use

Writing, problem solving, learning, creating content – written, speech, music generation, image generation, creating games, idea generation, coaching, etc.

Al and HR: Opportunities (Enterprise)

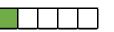
Talent Acquisition

Identify suitable candidates by analyzing resumes, cover letters, and job descriptions. Al-powered recruitment tools can also screen and filter job applications based on predefined criteria.

Maturity

Employee Engagement Analyze data on employee engagement, such as surveys, feedback, and performance reviews. This data can help HR teams to identify trends, monitor employee satisfaction, and implement changes to improve employee engagement

Performance Management Monitor performance, progress, and provide **personalized feedback to employees**. Al-powered performance management tools can also identify areas of improvement and suggest training or development programs.

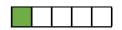


Al and HR: Opportunities

Employee retention

Identify factors that contribute to employee turnover, such as workload, job satisfaction, and work-life balance. By analyzing this data, HR teams can develop strategies to improve employee retention.

Maturity



Learning and Development

Personalize learning and development programs for individual employees based on their learning style, job role, performance, and career goals.



HR analytics

Analyze data on employee demographics, job satisfaction, turnover rates, and other HR metrics. This can provide valuable insights into **workforce trends**, which can help HR teams to make data-driven decisions.



Risks

- Inherent risks of a new technology bugs, errors, glitches
- Data misuse and privacy for AI models to work effectively, they need access to large swaths of data
- Bias and Discrimination in outputs
- Regulatory Compliance Risks (EEOC and other legal requirements)
- Fairness and Transparency
- Unknown Risks and consequences of a nascent technology

Role of HR in the future of Al

Al Governance

HR plays a key role in ethics, policy development, compliance and risk related to bias, and data privacy.

Al Skills Training

To use AI productivity tools responsibly.

Workforce Planning

Combating Disinformation

Build employee skills in areas of information literacy, critical thinking, media literacy, source evaluation etc. to differentiate information from disinformation. Issues like disinformation, phishing attacks, etc. will get inherently more sophisticated and harder to spot.



Online resources

- Higher Ed in the Age of Al: A Human Centered Approach
- Master the perfect ChatGPT prompt formula
- Prompt Engineering Guide
- Midjourney Tutorial for beginners
- edX: Prompt Engineering and Advanced ChatGPT
- Al in Practice: Preparing for Al (delftX) edX online 5 week
- Khan Academy What is AI and how does it work
- IBM: Al for Everyone: <u>Master the Basics</u>
- How AI Will Disrupt The HR Tech Market. And Also The HR Function Itself.- Josh Bersin Academy

Government Resources

- EEOC: Artificial Intelligence and Algorithmic Fairness Initiative
- Whitehouse: <u>Blueprint for an AI Bill of Rights</u>

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Have a Question?

Submit questions to our presenters using the Chat.



Al Governance



- Establish a governance committee that will oversee:
 - Ethical and Responsible use of AI
 - Risk Management and Mitigation
 - Resource Allocation and Efficiency
 - Regulatory Compliance
- Committee would typically include representation from:
 - Office of Risk and Compliance
 - Office of Counsel
 - Information Technology
 - Human Resources
 - Marketing/Communication
 - Office of Provost
 - Office of Research



Diverse group of office professionals in a conference room photographic style, white background



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