

AI in the Modern Workplace

workforce GO

Introduction

Many people have different feelings about artificial intelligence. Some may believe it has the power to destroy our established work norms, while others might trust in its ability to make our lives easier. Some believe AI is an unrealistic vision of the future, an inconvenience, a time saver, a job stealer, or a phrase that will eventually lose relevance. Regardless, it's clear that AI isn't going anywhere any time soon, as it continues to take over headlines and conversations in the creative and corporate worlds. Although workplaces across the globe agree that AI is here to stay, they disagree on whether the outlooks are positive or negative, how employees' lives will change, and the best ways to leverage the technology to benefit the human beings at the center of every organization.

The truth about AI is complicated. AI is often only as good as the use cases and solutions that harness it. But with their pressing need for automation at a large scale and complex datasets that can power their solutions, businesses sit on the front line of the opportunity to get the most from the new technology. **Gartner claims that by 2026, 80% of enterprises will have used generative AI application programming interfaces (APIs) or deployed gen AI applications.**¹

In this white paper, we examine the latest in modern AI as it applies to any business — what it is, what it isn't, and how it will tangibly impact your people, from the individual frontline worker to the overall workforce. Most importantly, we demonstrate that AI is best viewed not as a threat or a strategy to eliminate human workers but instead for what it can be at its best: an ethical and reliable sidekick for all, helping strengthen your organizational culture and meet employee needs quickly and equitably.

***McDonald's** has started to use conversational AI in recruiting to shorten the hiring cycle and improve the experience for applicants. Candidates, even those who do not have resumes, can now apply via text message, find times to interview, and move through the entire application process in hours rather than weeks.*²

A New Take on Old Challenges

Businesses around the globe continue to deal with issues in the aftermath of global events and shifts in the labor force of the early 2020s: a fight for limited talent, data overload as we collect large amounts of disorganized information, and historically low levels of trust in organizations.³ AI can help forward-thinking businesses make progress in these areas, but it still has its own set of challenges. Consumers and individual employees are skeptical of AI as a possible threat to their job security, and many employers still struggle to see what value it can bring to their operations. In a recent survey, only 47% of respondents agreed that they were sufficiently educating their employees on the capabilities, benefits, and value of generative AI.⁴

Now for the good news. While public opinion about AI—especially the latest advances in generative AI—has focused on its potential to steal, reduce, or eliminate jobs, this fear is generally unsupported by data. According to the latest McKinsey study on the future of work, while disruption is expected and the mix of jobs is likely to change (with lower demand for some categories), **generative AI is predicted to fuel employment growth** for the overall labor market.⁵ For most workers, it is unlikely that the combined duties that make up their roles will be fully automated, even in the long term. And while declines in some job categories are likely unavoidable, they will be accompanied by new opportunities fueled by this increase in automation.

Most jobs today contain multiple specific tasks that are good candidates for automation. As a result, AI will likely alter the day-to-day activity of most of the workforce. Goldman Sachs has performed thorough research on the labor hours likely to be replaced by automation via generative AI, and they found that “most jobs and industries...are more likely to be complemented rather than substituted by AI.”⁶



AI Use Case: Conversational Assistant

Functionality:

A chatbot can be accessible to employees at all times, enabling them to ask questions in plain language, find the right info, and get things done quickly.

Advantage:

Compared to dialogue with tree-driven chatbots of the past with canned responses, conversational AI can actually generate dynamic responses based on the specific questions employees ask and the appropriate corporate information.

Example:

An employee still new to their HR software needs to make a direct deposit change and name a beneficiary. After they ask the conversational AI, it not only guides them to correct forms but it also walks them through the changes in real time — meaning the request never makes it to a manager or HR.



Overwhelmingly, the tasks likely to be automated tend to be manual and repetitive with low strategic value, the kind that employees wish they could do less often anyway. And these tasks already represent a larger chunk of time than they should for many organizations. This is especially true for leaders. Another study by collaboration expert Asana indicates that repetitive, mundane, and administrative tasks may take up to 62% of the workday.⁷

When we look closely at the specific capabilities of this technology, we can start to see the remarkable potential--work life made easier, engaged and innovative employees, meaningful insights delivered when needed most, and better decision-making for everyone. This technology could lead to better retention of your top talent, as your people feel more connected to your strategic goals and perform more purposeful, impactful work.

The capabilities of AI, combined with comprehensive human capital management and workforce management in the cloud, have the potential to provide people with insights on how to grow and thrive while keeping them at the heart of the experience.

Closing the Gap on AI Value

With so much promise, it might seem as though enterprises of all types should be ready to begin using AI to its fullest potential as soon as possible. Unfortunately, a major hurdle to this acceptance remains--the true value (and especially return on investment) of AI is unknown for many organizations. In particular, surveys show big differences between how executives view their AI/automation strategies and how employees perceive their organization's use of AI in practice.

A recent global UKG® study of more than 4,000 respondents across 10 countries indicates that most executives believe they already embrace AI. **78% of C-suite leaders say they are actively using AI today**, and this statistic represents a significant investment in the growing technology and a belief that its adoption will be worthwhile. And yet, **more than half of employees say they have no idea how their company is currently using AI.**⁸ These employees often hear that AI will change their lives forever and transform how their jobs are done, but the "how" remains a total mystery.

"Organizations must be more upfront about how they're using AI in the workplace if they want a competitive advantage and want to earn — and keep — the trust of their employees," according to Dan Schawbel, managing partner at Workplace Intelligence, which partnered with UKG for the study.

While this disconnect demonstrates that there is plenty of work to be done to inform the workforce at large, it also represents an exceptional opportunity. Future-oriented enterprises have a once-in-a-generation chance to educate their employees on the value of these technologies and start getting the most from them now, while competitors will be forced to play catch-up in the coming years. By 2028, companies using AI today estimate that **70% of their workforce will be using AI to assist with some of their job tasks.** When it comes to bringing AI adoption into the spotlight for your people, the time to act is now.

***Qantas Airways** is furthering its diversity and inclusion goals by using chat-based AI assessments in place of traditional video interviews, which are biased toward young and physically attractive candidates. This move increased customer satisfaction while lowering turnover.⁹*

Embracing the Future

Powerful AI solutions are not only able to help employers combat their most common workplace challenges and cut down on some manual tasks, but they also develop employees with capabilities they might have never explored before. Generative AI can even go beyond enhancing employee productivity in their current roles, assisting them in upskilling and cross-skilling to expand their overall opportunities at your organization. Rather than replacing the human element, these technologies have the power to boost productivity and empower employee growth by working alongside people as a trusted, reliable sidekick.

AI has the potential to operate as a great equalizer, ensuring a diverse and equitable workplace. It can help to perfect your unique workplace culture while ensuring that employees at every level have the tools they need to make impactful, data-driven decisions both personally and professionally. These technologies can harness huge amounts of publicly available data for the most up-to-date language capabilities while being tailored to the custom needs of your organization. Leading solutions can draw upon three levels of AI at the same time:



Customer Models

AI tailored to the specific individual culture of your organization, leveraging your own unique set of people data



General Models

AI built to meet the needs of leading organizations, drawing upon traditional HR, payroll, and other people data, including datasets from historically successful businesses



Large Language Models

AI able to scale for organizations of any size, in any industry around the globe, drawing from enormous quantities of wide-ranging public datasets

With this powerful, flexible, and evolving data foundation, smart use of AI can bring organizations close to that long unattainable goal: future-proofing. It represents not only an investment in the capability of today's technology to meet the needs of your people but also a commitment to an entirely new avenue for building better workplace culture. We are only at the very beginning. Organizations that invest in AI and educate their workers today will become the great workplaces of tomorrow.



Practical Use Cases for AI

When investigating AI-driven human capital management and workforce management, consider some of the following use cases for individual contributors/frontline workers, HR professionals, and people leaders and how they might address specific ongoing challenges at your organization:

For individual contributors and frontline workers:

- Provide flexible, convenient scheduling with self-service for intelligent shift-swapping
- Reduce and/or simplify commuting and avoid rush hour traffic
- Offer automated on-demand pay for employees to enable them to access wages flexibly and enhance financial wellbeing
- Identify any discrepancies in pay equity with automated analysis of compensation data, ensuring fair pay across the workforce
- Assist employees with finding and creating career pathways, matching their skills and aspirations with suitable future roles
- Empower employees to provide instant feedback and answer their own questions with conversational AI prompts

For HR professionals:

- Attract top talent by streamlining recruiting, identifying high-potential candidates, and personalizing onboarding
- Retain top talent by providing the right tools in the right moment to help HR anticipate workforce issues like turnover and skills gaps
- Guide employees, HR leaders, and people managers with insights and training
- Build and sustain a diverse, engaged workforce by providing insights on employee demographic breakdowns
- Prove that you are listening to your employees by investing in the technology they need to thrive

For managers:

- Become a champion for your team by giving them the support and tools they need in the moment, including self-directed chat
- Identify opportunities for frontline employees to find extra shift opportunities and learn new skills
- Spot and correct any inequities in employee pay, promotions, overtime, and other key work figures
- Analyze vast datasets and create reports in seconds based on specific asks through conversational reporting
- Help ensure diversity, equity, inclusion, and belonging with AI-prompted leadership recommendations, including new training and development opportunities

“As a result [of leveraging AI-powered solutions], our leaders and associates can focus on what’s most important: interacting with customers, driving sales, and delivering an outstanding experience to everyone who walks through our doors.”

— Jim Abbatemarco

Vice President of Retail Operations at The Vitamin Shoppe

Finding the Right Solution

While choosing to invest in an AI-driven solution for the needs of your workforce is a great first step, it's important to remember that not all AI is created equal.

Some vendors may claim to have solutions that can meet the unique needs of your organization, but deliver a one-size-fits-all platform that struggles when presented with a challenging scenario. Others may be so focused on specific use cases that they are not able to deliver a holistic view of your workforce data.

Look for solutions that craft generative AI into a trusted sidekick for employees and managers, empowering them to grow and thrive by anticipating and providing insights at key moments. This type of AI is always available to your workforce regardless of location or device. But it is never overbearing. It doesn't make decisions — it helps your people do that. Such a solution is always there to answer questions, boost efficiencies, optimize outputs, and guide users toward better decisions.

The most effective form of this AI companion is one that takes advantage of rich people data in addition to traditional work data. Best-in-class solutions can even leverage complex culture data, including employee sentiment analysis, survey results, benchmarks, and best practices to paint a fuller picture of your workforce and its needs:



Work Data:

- Time
- Absenteeism
- Accruals
- Overtime
- Coverage



People Data:

- Performance
- Skills
- Training
- Turnover
- Availability



Culture Data:

- Sentiment
- Survey Results
- Messaging

It's also important that AI solutions keep safety, data security, and ethical considerations as priorities. As the overseers of these powerful new technologies, organizations are under a great deal of pressure to handle data sensitively and hold themselves to a high standard of ethics as systems continue to mature. We have already seen incidents of sensitive organizational data leaking into the public space through LLM models. Make sure that any AI solutions that you consider have the ability for users to opt in or out of sharing sensitive or personally identifiable information, use reputable third parties to validate their security standards, and ensure company data isn't shared publicly. Some other ethical AI hallmarks to look for include:



1.

Fairness and Inclusiveness

AI should be harnessed in ways that promote inclusiveness, help achieve equitable outcomes, and avoid creating or reinforcing bias. This requires diverse teams to implement the solutions, along with rigorous testing and evaluation with external stakeholders.



2.

Transparency

Responsible use of AI includes clearly explaining when, how, and why AI is being used as part of a given solution. Additionally, look for providers to spell out the safeguards in place to protect against potential risks.



3.

Privacy and Security

As with any technology, AI solutions must prioritize the importance of protecting customer data and other proprietary information from attack, manipulation, and other malicious behavior. Ensure that any vendor handling your data is subject to industry-standard cybersecurity practices such as SOC audits and ISO certifications.



4.

Reliability

AI is complex, evolving technology and as such requires continuous training, testing, and feedback to maintain and enhance it over time. Consider solutions built to be trustworthy and responsive, striving for the latest and most accurate datasets, and monitored by humans for unintentional bias.

About Workforce Go

Workforce Go is a cloud-based human capital management platform designed to help employers reduce costs and more efficiently manage people-related processes. The product suite includes payroll, time and labor management, benefits administration, and HR services. It can be delivered as a consolidated package or as stand-alone components, scalable to any sized organization, and set up to allow for easy integration with any accounting, financial, or ERP solution. <https://www.myworkforcego.com>.

References

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