



# AI at Work: It's Time to Embrace AI

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in the next wave of IT consumerization.

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We've seen this movie before. Ten years ago, enterprises were slow to perceive the value of mobile and social technologies and discouraged their use in the workplace. Over time, however, companies realized that they couldn't fight the BYOD trend and they moved to enable their employees with the same technology they were already using in their personal lives. Today we're on a similar path with artificial intelligence (AI). HR has an opportunity to get ahead of the curve and be the agent of change in the next wave of IT consumerization.

When speaking of AI, we're talking about enabling machines and their software to sense, comprehend, act, and learn. AI is meant to enhance human cognitive performance and is creating entirely new job categories. Through conversational interfaces that include Siri, Alexa, and other personalized chatbots, AI makes it possible for humans to interact with software in a more human way. Predictive analytics fed by sizable pools of data play an important role in this. Underpinning chatbots and other software interfaces is a great deal of technology and data that has countless applications and implications for HR.



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The data already in your systems—on your business, your applicants, your candidates and employees—can be mined for insights and put to work automating many of HR's repetitive and mundane duties. AI processes massive volumes of data much faster and more accurately than humans, and is continuously improving. Automating your rote tasks—think application filtering, payroll and benefits queries, onboarding, compliance, and performance monitoring—can lead to significant increases in productivity and position HR for bigger things such as career development, succession management, and workforce planning.

Formulating a successful talent strategy is made easier when AI provides HR with valuable insights into how to restructure a team to adjust to changing market conditions and when entering new markets. Applying financial data on top of the HR data ensures that managers and executives are supporting and pursuing the overall business strategy and objectives.





## Bridging the gap.

Currently there's a great divide between what employees are doing with AI in their personal lives and how far along their employers are in implementing AI in the workplace. An April 2018 study titled "AI at Work" conducted by Oracle and research firm Future Workplace led to some surprising findings, among them the fact that 93 percent of people would trust orders from a robot at work, and that 70 percent of employees are already using AI in their personal lives—whether for entertainment, ridesharing, personal finance, or personal relationships.

The study of 1,320 US HR leaders and employees found that people are ready to embrace AI at work and understand that the benefits go far beyond automating manual processes. Top-level findings include:

### Employees and HR leaders see the potential of AI:

- Employees believe that AI will improve operational efficiencies and enable faster decision making
- HR leaders believe AI will positively impact learning and development

### Organizations are not doing enough to prepare the workforce for AI:

- Almost all HR leaders are concerned they will not be able to adjust to the rapid adoption of AI as part of their job
- HR leaders are not currently empowered to address an emerging AI skill gap in their organization
- Employees believe AI skills and knowledge will be important in the next three years
- A majority of HR leaders noted that their organization does not provide any form of AI training program

While **93% of people** would take direction from a robot, **only 6% of HR leaders** are actively deploying AI.

### Not embracing AI now will result in job loss, irrelevance, and loss of competitive advantage:

- Respondents identified reduced productivity, skillset obsolescence, and job loss as the top three consequences of failing to embrace AI in the workforce
- Respondents believe embracing AI will have the most positive impact on directors and C-suite executives
- Failing to empower leadership teams with AI could make organizations less competitive

## AI as a new source of growth—including job growth.

Jobs will change, new roles will be created, and continuous learning will become even more of a priority. Each of these findings is included in the research, along with the findings that AI will lead to better analysis and faster decision making. Employees believe this to be true from their exposure to AI in their personal lives. One headline to emerge from the study is that 93 percent of people would take directions from a robot at work. People have come to trust the quality of information AI delivers and to value the time savings it offers. AI's ability to tailor itself to personal preferences and past behaviors is another plus.

Of the threat that AI presumably poses to future employment, Erik Brynjolfsson and Andrew McAfee write in the [Harvard Business Review](#) that “Over the next decade, AI won’t replace managers, but managers who use AI will replace those who don’t.”

Couple this with a belief on the part of many experts that AI will lead not to job loss but to [job growth](#) instead, and you begin to see both the urgency and the opportunity.

The wrench in the works is the fact that only 6 percent of HR leaders are actively deploying AI in their departments. This supports a general view that HR is not only underinvesting in AI, but in people systems overall.

HR leaders have an opportunity to differentiate themselves and their organizations from others by integrating AI technology into their operations and training their workforce to use it. Bridging the gap between employee expectations and current AI reality is among HR's highest priorities. HR can't afford to be caught flat-footed again.



**70% of employees** use AI in their personal lives—for entertainment, ridesharing, personal finance, and personal relationships—**yet only 24%** use AI at work.



## Start small, think big.

Given AI's enormous potential and the expectation on the part of employees to begin using AI in their professional lives, what steps should HR leaders take to introduce AI into the workplace? If AI is to receive the attention and funding it deserves to usher in a new wave of productivity, it will have to address senior executives' leading concerns. A few areas where HR professionals are starting to deploy AI include recruiting, learning, and HR helpdesk.

In a second April 2018 study conducted for Oracle by Research Now SSI, HR leaders agreed that recruiting was at the top of the list. The report reads: "When asked what their C-suite cares most about when it comes to HR, the number one answer was hiring and recruiting."\*

**Recruiting** can be a complex stew of multiple stages, mixed messages, and dashed aspirations. In a sign of increasingly robust job markets, [reports of "ghosting"](#)—failing to even show up for a job interview or a first day of work—are climbing.

Elevating the quality of your candidate pool is one way to inoculate yourself against less sincere applicants. AI can empower recruiters with best-fit candidate matching to make the best data-driven recruiting decisions. Chatbots have proven an effective tool for new-channel sourcing and gathering and disseminating information. The number of additional touches chatbots enable and the advantages in scheduling and follow-up not only create vast new efficiencies and give organizations more data to work with, they also provide candidates with a richer experience. AI is candidate-centric, which means chatbots are sufficiently malleable to fit your potential future hire's schedule and expectations. Many candidates—millennials especially—like the low-key nature of interacting with a familiar tool. The convenience is appreciated.

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In [Forbes](#) in April 2018, Jeanne Meister writes that Hilton Hotels & Resorts leverages AI to reduce the time it takes to fill job openings, improve the candidate experience, and reduce the administrative workload on recruiters. She quotes Hilton VP of Global Recruiting Matthew Welsh as saying, “We leveraged AI into how we screen, source, and interview job candidates, and this means our recruiters have more time to focus on the candidate, communicate the Hilton employer brand proposition, and deliver a richer, and more uniquely human candidate experience.”

HR bridges all aspects of the employee lifecycle, so success with AI in recruiting has implications for career learning and development, career pathing, payroll and benefits, and succession planning. Items such as workforce flight risk prediction become more important. Flight risk prediction draws on more than 140 different attributes and behaviors in order to formulate its conclusions. The attributes include employee sentiment, an employee’s mentors and influences, their number of years in a position, how long they’ve been reporting to their current manager, their potential career path, their salary history, and whether and when they last received a raise. These all factor into a predicted attrition rate and offer employers a number of useful cues and clues on how to retain their most valuable people. The most

cost-effective way to reduce the organization’s recruiting obligation is to increase its control over employee retention. AI can play a major role here.

Flight risk prediction draws on more than **140 attributes** and behaviors to formulate conclusions.

**Learning** is another promising area for AI. Millennials in particular want to grow and value an employer’s investment in their career. Automated learning recommendations can be tailored and presented to employees at appropriate times within the context of their career development. Coursework recommendations are based on an employee’s career path, learning requirements, and preferences.

In addition to the courses are opportunities and recommendations to connect with possible mentors and influencers, people ideally positioned to further an employee’s knowledge and expertise. In offering employees more experiences and coaching to grow and learn from, employers win also.

**HR Helpdesk** is a third area where AI can play an early and leading role in HR’s future. The entire workforce uses it, which offers a number of distinct advantages, including the volume and variety of queries and interactions. Training technology to answer questions intelligently is made easier when there’s quality data to draw on. Answers when using structured AI are typically better because the responses are consistent and compliant. A helpdesk chatbot can leverage an adaptable knowledge base to deliver high-quality answers and guidance quickly and efficiently.

Training technology to answer questions intelligently is made easier with **quality data**.



## You're only as good as your data.

Embracing AI means speeding the transition from repetitive, nonvalue-added tasks to more engaging strategic activities. In the quote above related to recruiting, the Hilton executive spoke of more time to focus, better communication, and richer and more human experiences. These very human benefits might not be what you think of first when you think of AI, but they're there.

Getting there will require HR to meet with IT to create a solid data management strategy that allows the organization to manage, synthesize, and analyze HR data, cross-functional data, and third-party data, and then apply data science to come up with meaningful insights and recommendations. This is the foundation for supporting a real AI strategy and deriving meaningful insight.

Partnering with one or more providers experienced in emerging technologies will enable you to get operational sooner and begin differentiating you from your competitors. Oracle cut its teeth on data and data remains a core competency. Over decades the company has acquired a developed understanding of the possibilities and limitations of data applications.

At a time when "you're only as good as your data" appears increasingly true, Oracle can help you live up to your promise.

And that includes your workforce. For HR to become fully versed in AI, all employees should acquire a fundamental understanding of the people-related impacts of AI data. Employees should learn that the data they come into contact with is now interpreted by AI and be trained on how to read the findings. A smaller subset of employees may find themselves in entirely new jobs both within and outside HR that entail an understanding of algorithms and working with historical data.



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## Choose progress and lead change.

It's ironic enough that artificial intelligence excels in sourcing human employees. Now add the fact that AI can free employees to be more creative and engaged and you begin speaking to our humanity.

Every opportunity is different, and yet HR has been here before—presented with a promising technology that it can choose to either embrace or ignore. Or try to ignore, for a while. The lesson HR learned from mobile and social was that progress waits for no one.

AI is no less transformative than those technologies, and once again the impacts will be borne by the enterprise's people. Today's HR departments have a responsibility to own the role of AI best-practice advisor and practitioner. In doing so HR can represent the interests of the company's most vital assets—its people—while remaining champions of growth and change.

Here are just a few of the steps you can take now to be an agent of change:

- Create and maintain a complete view of the organization's talent data, including the skills of past, current, and prospective employees. Consider enlisting a cloud software partner well versed

in artificial intelligence, with a product roadmap showing substantial R&D investments in emerging technologies relevant to your industry.

- Begin with some simple assisted-intelligence tasks, including churn detection, identifying high and low performers, and flight risk prediction. Quick gains can come from chatbots that respond to inquiries faster.
- After your team achieves that level of competency, move to the "augment phase" by using AI to support recruiting, retention, and engagement initiatives you couldn't achieve before, such as workforce segmentation and succession planning.

Throughout the process, be sure to share best practices with other lines of business. HR's opportunity to introduce AI to the workplace comes with the responsibility to ensure that AI delivers a net positive to the organization and its people.

\* "Tomorrow's HR, Today: Exploring the Role of Human Resources in Digital Transformation," research study conducted for Oracle by Research Now SSI, involving interviews with 373 HR directors, VPs, and CHROs around the world, April 2018



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