

HR Insights

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How HR Operations Can Leverage AI Tools

The introduction of artificial intelligence (AI) tools such as ChatGPT, Eightfold and HireVue is forever changing the HR landscape. Leveraging this new technology can help organizations enhance several HR functions and may be particularly helpful to many small employers without HR departments or personnel by saving them time and resources they would normally put toward such functions to focus on growing their businesses.

AI tools have the ability to perform certain tasks more efficiently and, in some cases, can even entirely automate these activities. However, this technology has limitations and vulnerabilities that need to be considered before employers integrate it into their organizations. While the human component of HR operations is still important, here are some ways employers may be able to adopt and leverage AI tools within such operations, as well as associated risks for them to keep in mind.

Recruitment

AI tools can help improve recruitment in various ways. First, employers can implement AI chatbots to answer any preliminary questions that potential talent may have. Further, AI tools can be used to help assist employers with recruitment and hiring functions—such as resume screening and skill assessments—and identify qualified job applicants. These tools can also be used to help candidates fill out job applications more easily by automatically pulling relevant information from their resumes so they don't need to spend time manually inputting it.

For some employers, it may even be effective to use AI tools to help generate interview questions tailored to individual roles. This personalization of the recruiting process can increase the odds that job seekers turn into

applicants. While these are just some of the ways organizations are using AI tools, they can also help employers make the recruitment process more user-friendly, personal and efficient, therefore attracting talent.

Onboarding

Integrating new employees into an organization is an essential HR function and another area where AI tools can help improve efficiency. These tools can help answer FAQs, provide basic information about company policies and assign training courses that are specific to employees' roles and skills.

AI tools can also help verify any required employee documents and handle administrative tasks, such as providing employee IDs or offering access to software programs. Employers can benefit from having these tools help streamline onboarding processes; the more seamless such processes are, the more likely employees will have a positive experience and want to stay with their organizations. Additionally, leveraging AI tools can help free up time for HR departments or professionals performing tedious functions to focus on more complex tasks, such as ensuring Forms I-9 are accurate or direct deposits are arranged properly.



Employee Engagement

Keeping employees engaged is a key factor to increasing an organization's overall retention. By utilizing AI tools, an employer can collect feedback from employees more regularly and obtain useful insights into how engaged they feel within their roles and the organization as a whole. These tools can also aid employers in understanding employees' needs that they may not feel comfortable vocalizing or may not realize they want. Employers can then use this information to make changes to the employee experience where necessary.

Learning and Development

Learning and development opportunities are key to any successful organization because they help develop employees' skills, create career paths and keep workers more engaged. By using AI tools, employers can more easily identify skill gaps and areas in need of development. Certain tools are also able to generate role- or job-specific learning and development opportunities so that employers don't have to spend time creating personalized plans for every employee.

Analytics

Many companies collect data on people analytics and key metrics such as time-to-hire, employee turnover rates and diversity and inclusion initiatives, to name a few. However, it can be time consuming for HR departments or professionals to go through all of this data and determine how to use it. AI tools can help not only collect this data, but also provide employers with strategies and decisions based on such information. Although, employers should remain cautious when sharing personal employee information with third-party technology. In any case, these tools can allow employers to spend less time collecting and analyzing data and prioritize making important decisions related to it.

AI Limitations and Risks

While AI tools can help employers streamline many tasks and improve overall efficiency, there are limitations and risks that need to be considered. Specifically, HR departments and professionals should remain involved in important decision-making processes and watch for any unexpected biases, data privacy issues and cybersecurity exposures that might stem from using this technology.

Unexpected biases are issues that can easily arise when the data used to train AI tools is not initially screened by a human. For example, when Amazon first implemented an AI recruiting tool to screen resumes, the training data this tool was given to identify ideal candidates was predominately male because most employees at the company—and in the technology industry overall—were male at the time. As a result, the tool favored recruiting male candidates over female candidates. To prevent similar incidents, employers should review any data they provide AI tools, or that this technology produces, to see if any unanticipated biases are present.

Data privacy, cybersecurity and copyright laws can also be potential risks associated with the use of AI tools if companies are not cautious. As such, employers should be careful about inputting personal or confidential information into these tools, especially if they are owned by third parties rather than their own companies. Otherwise, these tools could lead to the dissemination of private information, possibly prompting those affected by such breaches to take legal action against the responsible organizations. Additionally, employers should consider the copyright status of any content generated by AI tools before using it. Employers can also review and update their workplace policies to ensure they cover AI tools. Further, organizations can train employees on potential copyright and privacy issues or restrict access to AI tools to reduce legal risks.

AI technology creates the impression that it can do more or is more reliable than it is. However, this technology's knowledge is limited since it's based only on the information used to train it. Therefore, the information AI tools provide users may be outdated or contain errors. As a result, employers should verify the information produced by these tools before using it since AI-generated errors can be costly, subjecting organizations to government audits, fines and penalties.

Takeaway

AI tools can help employers throughout the talent lifecycle to complete valuable HR operations and obtain important data more quickly. Nevertheless, employers should remain mindful that this technology still poses limitations and risks. For more workplace resources, contact Franconia Insurance & Financial Services today.