



Shaping the future of HR:

AI in the Workplace

As new technology ushers
in a new era of work, what's
HR's role in workplace
transformation and beyond?



SKILLCYCLE

AI in the Workplace

Abstract by a Human:

Artificial Intelligence (AI) has experienced rapid development and widespread commercialization, revolutionizing various industries, and significantly impacting others - like HR. This whitepaper explores the current state of AI, the impact it has on HR teams and their roles, and the ethical considerations surrounding AI adoption in the workplace. We will investigate the implications for HR worklives today, in the near future, and far into the future. By addressing key questions related to HR's preparedness for AI-driven workforces, the future of HR in an automated world, and the challenges faced by HR teams, we will provide top insights and high quality recommendations for HR professionals navigating the evolving landscape of AI in the workplace that they may soon be shouldering.

Abstract by ChatGPT

This whitepaper explores the profound impact of AI on HR, covering its current state, implications for HR professionals, and ethical considerations. It highlights the proliferation of AI across industries and discusses concerns about job displacement and ethical implications. The paper addresses challenges faced by HR, such as recruitment biases and limitations of personalized learning. While AI can be an intelligent partner, it cannot replace the human element of HR. The whitepaper also examines the future dynamic between AI and HR, emphasizing the importance of HR leaders understanding AI's limitations and undergoing training. By doing so, HR professionals can shape the future of HR and leverage AI transformation effectively.

What are the **stakes**?

An always-learning mindset is fundamental for success.

[The Department of Labor's data](#) indicates that the skills needed for in-demand jobs (meaning those jobs projected to grow fastest in the next 10 years) will include a mix of:

- **Soft skills**—like interpersonal skills to successfully interact with people,
- **Process skills that help a person acquire knowledge quickly**—like active learning and critical thinking, and
- **Specific technical expertise skills** — like equipment maintenance.

The Department of Labor's data also shows that in-demand jobs with a greater number of “important” skills tend to require more education. Important skills include active listening, social perceptiveness, and critical thinking.

Skills Deemed Important in the Top 20 In-Demand Occupations, by Education Level.

Bachelor's and above	Some college, bachelor's and above	High school, some college, bachelor's and above
<ul style="list-style-type: none">○ Systems evaluation○ Systems analysis○ Learning strategies○ Persuasion○ Instructing○ Management of personnel resources	<ul style="list-style-type: none">● Reading comprehension● Writing● Time management● Active learning● Complex problem solving	<ul style="list-style-type: none">○ Active listening○ Social perceptiveness○ Service orientation○ Speaking○ Monitoring○ Critical thinking○ Coordination○ Judgment and decision making

Source: GAO analysis of U.S. Bureau of Labor Statistics (BLS) Employment Projections program data and U.S. Department of Labor Occupational Information Network (O*NET) data. | GAO-22-105159

AI is here, and it's **not going away**

The emergence and rapid advancement of AI technology over the last two–three years ushered in a new era of workplace transformation across nearly every industry. AI's power to streamline processes and enhance overall efficiency is undeniable, and even content creators are becoming anxious — AI's artwork generation is like nothing seen before. College students are thrilled at its capability to write essays and a thesis or two, and professionals are using tools like ChatGPT to clandestinely disentangle spreadsheets while taking credit, but are worried that it may out-perform them. As jobs typically performed by humans are replaced by AI, questions begin to arise around the management of those tasks: is a CTO in charge of operationalization of AI in the workplace? Does HR continue to oversee performance when humans are no longer doing the work? What role can HR expect to take on as AI becomes ubiquitous in the workplace (and daily life), and how can they best

prepare? These questions — and more — require careful examination.

The future state of HR and the impact of AI on HR worklife today will certainly look different within the next decade. And critical questions are rapidly surfacing in many organizations about challenges faced by HR professionals regarding the use of AI in the workplace, and setting the stage for HR to be able to tackle these now will arm you with the best skillset possible as AI's presence continues to expand. We're ranging wide in this whitepaper: by the end of it, you will have your AI bearings and understand its influence on industries to the changing nature of HR functions, strategies for adapting HR and wider company policies, to how HR leaders can respond to the altering digital landscape ahead of the curve.

Let's dive in.



The current state of **AI in the workplace**

AI is not just in the workplace - it's everywhere. In 2015, the [AI industry had a respectable 5 billion dollar marketplace value](#). Eight years later, that market value was up to [100 billion](#), with an expected twentyfold growth by 2030. Today, AI is embedded in industries that are expected: cybersecurity, manufacturing, and healthcare — and somewhat unexpected... Lensa AI art generated portraiture went viral on TikTok in late 2022 due to its ability to turn users' selfies into AI-illustrated versions of themselves in different historical periods. AI-driven coaching, voice creation, fashion advisors, and support centers emerged in 2023 as well, with much room for improvement.

As fun as a “choose my haircut” app may be, there have been wider conversations about the implications

of this new ubiquitousness of AI in our daily lives and our work lives, including ethical implications of replacing human, skilled workers with AI capabilities.* 24% of workers are concerned that AI will make their jobs obsolete, and the numbers go up depending on demographics like age (32% for 18-24 year olds), and race (35% for employees of color), or department (advertising & marketing sit at 51%). The Writer's Guild of America (WGA) and the Screen Actor's Guild - American Federation of Television and Radio Artists (SAG-AFTRA) continue battle over the studio giants' preference for AI-driven content (or is it just a leverage play?). Even jobs we may have once as a society deemed irreplaceable are being taken over by AI as it now can drive cars or teach one of Harvard's more popular intro-level coding courses starting in the fall of 2023.

*AI capabilities source: www.cnn.com

Wider ethical implications of **AI in the modern world**

You knew this whitepaper would end up here. As one of the biggest unknowns and new frontiers in tech, AI has always sparked deeper concerns about the ethical consideration of its use and development. We've used creative outlets to explore the ethical implications of AI's rapid growth – and potential consequences – in films like *Bicentennial Man* (1999) to *I Robot* (2004) or books like *The Prey of Gods* by Nicky Draden.

However, as AI has grown in the real world and not fictional ones, we've come up against the true ethical dilemmas it poses repeatedly – some were expected, and some were not. Racial biases, gender stereotypes, and even location can determine the output AI presents in the work it does:

“AI-systems deliver biased results. Search-engine technology is not neutral as it processes big data and prioritizes results with the most clicks relying both on user preferences and location. Thus, a search engine can become an echo chamber that upholds biases of the real world and further entrenches these prejudices and stereotypes online.”

- [UNESCO Report on the Ethics of Artificial Intelligence, 2023](#)

77%

[Employees concerned about job loss to AI in the next year](#)

A substantial 77% of people expressed their apprehension that AI could bring about job losses in the imminent future, indicating widespread concern about the potential impact of technology on employment opportunities.

400 million

[Estimated number of workers displaced by AI by 2030](#)

As AI evolves, it could displace 400 million workers worldwide. A McKinsey report predicts that between 2016 and 2030, AI-related advancements may affect around 15% of the global workforce.

43%

[Percentage of business owners concerned about technology dependence](#)

An additional 35% worry about having the technical skills to use AI effectively. These concerns highlight the challenges that organizations face while adopting AI technologies.

Ethics of AI in HR Worklives

HR now has yet another issue to take care of...

HR leaders find themselves, almost uniquely, at the center of their conversations around the ethics of increased numbers of AI tools in their workplace (that naturally have the same fallibility as any other AI tool). In 2022, [roughly ¾ of HR leaders surveyed](#) said that they already use AI to help them in various job functions like records management, recruitment, and performance management. As HR juggles more tasks than ever (we all know HR leaders manage as many people as the CEO), using tools to help manage their daily repeated tasks with less lift is only logical, and can provide [significant financial & time-saving impact to the company](#).



SkillCycle CEO and 20+ year HR veteran Kristy McCann Flynn doesn't want us to discount the role of AI in lifting some of the burdens from busy HR teams and enabling them to do what they do best: "Think of AI as an intelligent partner to your HR professionals. With most teams trying to do more with less, AI platforms can support your workforce by automating transactional and repetitive work, freeing up their time to focus on other, more human, tasks that add greater value to the function." In a discussion on the [McKinsey Talks Talent podcast](#), talent leaders Bryan Hancock and Bill Schaninger talk with McKinsey Technology Council chair Lareina Yee and global editorial director Lucia Rahilly and agree with McCann Flynn's sentiments about being judicious with HR's use of AI. Hancock says, "I hope that HR would view this as an opportunity to routinize and get rid of the work that they don't have to do. Then for the work that they do have to do, they can use this technology to find a way to get better answers more quickly."



Clarity is here

How can we help? info@skillcycle.com

AI & HR: Real Stories and Challenges

Is the future already here? Thinking beyond automation of repeated tasks, the water gets murkier for businesses as they decide how to implement AI and tackle some of the known challenges it has with bias when it comes to typical HR responsibilities like recruitment, learning & development programs, and internal mobility. And the challenges, well, are not easy to face.



Recruitment

AI has been used in recruitment to streamline repetitive tasks and provide insights into candidates with outreach.

McCann Flynn: “The biggest obstacle here is how to hire. We’ve leveraged resume parsing and machine learning to connect roles and outputs with candidate experience, but it’s often still not right. You’ve got the known quantity of racial and gender bias in the machine learning part of recruitment, but there’s also the human element of learning, as a hiring manager, to see and evaluate potential. That’s not something AI can learn or replace.”



Learning & Development

The argument here is that AI can be used to create seemingly personalized learning & development programs for each employee.

McCann Flynn: “The idea that AI can create a personalized learning journey is nothing new, and SkillCycle’s platform does something similar based on 360 feedback. But AI can’t understand how its data syncs (or not) to the goals of the employee, how to keep them intrinsically motivated to learn and grow, and how to adapt that personalized learning journey to that employee’s learning style to encourage them to continue along that path.”



Internal Mobility

Some companies are using different AI tools to identify talent within their companies, and then work with those chosen on their career paths.

McCann Flynn: “When I built SkillCycle, I wanted a tool that specifically did not single out high performers based on metrics alone for talent development. First, all facets of a company benefit from a learning-for-all mindset. Second, this is a surefire way to eliminate all your top talent who perform incredibly outside of typical metrics. Third, using AI to select who gets fast-tracked to promotion is a fast way to ensure your leadership roles are filled inequitably.”

HR Future

Who's in charge?

The above challenges are already being confronted by HR leaders regularly; what happens when we think about the future clashing of the titans, so to speak, between people-driven HR leaders and technology-forward AI?

Remember the AI Harvard professor from earlier? That's HR's future. If we can start to brainstorm strategies and solutions for their businesses now, they can position themselves as invaluable in the AI transformation to come.

Company X, a pioneering tech firm, is hiring for 10 positions. Six of these positions are filled by skilled humans and four of those positions, it's determined, can be filled by AI (though maybe not one quite as robust as a Harvard professor). Although the two can coexist efficiently, the questions HR face at the cutting edge of this is myriad.

Who manages the AI tools that fill a job?
Who oversees AI's ability to complete a job to business standards? If AI needs training to

perform better, what does that look like? If AI isn't performing to the standard necessary and puts more of an onus on its "colleagues" to train it or correct it, who do those colleagues go to for conflict resolution? Does HR need a supplementary AI department, or different training to fill these roles? As other employees watch the continued rapid development of AI and see it replacing positions, who supports HR as increasing amounts of employees come to them concerned about their replaceability?

Not all of these questions can be answered until we see what happens with AI's future - just as we couldn't have used Bicentennial Man to predict the ethical quandary of AI-generated art or self-driving cars that can't make risk assessments the same as human drivers. But they are questions that, if HR considers them now and begins to plan for this inevitable change in its workforce, will change the game for businesses. And that is where HR professionals can begin to position themselves as leaders in AI transformation.

Take charge

Steps for forward-thinking HR leaders to take on AI transformation



Understand the Limitations of AI Tools

With the use cases above, AI can do part of the job for you. Understanding where those limitations are for the tech you use as an HR professional and where they are for your teams that are starting to implement them means that you know the extent to which they cannot replace the roles you hire for.



Start Talking to Your CIO/CTO Now

AI has been at the forefront of your tech teams' brains for longer than they've been in the general workforce. Take the initiative to go to your tech leaders and talk to them about certifications, oversight, QA, and the role they see AI taking.



Foster a Culture of Learning and Upskilling

When employees need help with Zoom calls, investing in upskilling programs may be for you. AI transformation requires a workforce equipped with skills to adapt to the changing landscape. Encourage a culture of continuous learning, where employees feel motivated and supported to acquire new skills to work alongside AI systems.



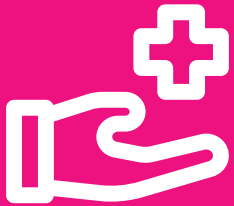
Come Up With A Plan

You've talked to your CTO, who has agreed that training for you is essential so you can hire an AI specialist specifically for your HR team. Start your training and do the learning & development you need to be as effective as possible as a people leader with a cutting-edge understanding of AI development and its ethical implications.



Build Your Team

Just because your CEO isn't thinking about these things now doesn't mean in two years they won't be looking for a solution for it. Maybe you don't have the budget to hire the AI specialist but build your cohort within your organization to start the building blocks of what AI management means at your business.



Don't Step Back

AI is freaky, we all feel the same way about it. But instead of fearing it could one day swoop your role, instead brainstorm how it can be enabled within your role--to better support you and your day-to-day.



Stay Ahead of the Game

Instead of avoiding the integration of AI until the last minute, begin your research to see where AI will be involved in HR within the next few years, and start developing a strategy for how to get there before your competitors do. You may finally have time to take that summer vacation sooner than you thought.



Work With the Experts

We're here to help. We are a team built of several HR veterans who have been through the toughest of tough in the people ops and human resources industry. We stand here with open arms to help guide you throughout your future within AI transformation, and how to properly position yourself during the process.



Stay Human

AI isn't going away. But neither are humans or HR. It's important to recognize that AI is a new era of technology that will help us advance human abilities to help one another and increase our intellectual approach of getting the job done and performing what we do best. (Computers made creating pitch decks faster)



Ensure Ethical and Responsible AI Implementation

HR doesn't need another task facing employees that ping them with ethical objections about your AI usage at the company. Nor do you want angry HR managers. Develop clear guidelines for data privacy, security, and transparency. Consider the potential biases AI systems may introduce and implement measures to mitigate them. Regularly monitor and assess AI algorithms for fairness and accuracy, ensuring they align with the organization's values and legal requirements.

Take charge with us

The future of work is here and the capacity to learn and change is more important than ever. Let's talk about how the SkillCycle People Ops Suite can make learning and change management a snap for you and your entire organization.



SKILLCYCLE



Learning-first Talent Development Platform

SkillCycle is a learning company that connects learning outcomes directly to performance management through the groundbreaking approach of building something people really want.

Build your People Ops Suite today



Learner-led Coach Selection



SkillCycle Learning Library



Configurable 360s



Engagement Surveys



Performance Reviews



Mentorship Platform



What makes some HR technologies must-haves?

HRIS systems are foundational elements of any HR tech stack. But what about tools that drive profit fitness? At SkillCycle, we've built the first ever People Ops Suite that pulls key levers that deliver engagement, performance, and retention through people-driven growth.

98%

of employees would stay in jobs longer if they had growth opportunities.