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ARTIFICIAL INTELLIGENCE IN THE WORKPLACE: MAKING WORK MORE HUMAN, NOT LESS

AI's Impact in the Workplace

One well-known company that transports millions of passengers a day has a software algorithm that automatically schedules work assignments and pay rates for its drivers. This concept excites me because it removes all of the biases and issues that can occur within those processes. By taking favoritism and other variables out of the decision-making loop, one would imagine that workers would be happier and less stressed by this type of system, right?

However, the drivers aren't completely thrilled with the experience.[1] Drivers were fighting back against the algorithm by switching off their apps to initiate higher pricing for customers. These workers are gaming the system to increase their own payouts as a mechanism for fighting back against a faceless, inhuman algorithm.

Why would they do this? The term psychologists use is **"negative reciprocity,"** but ultimately it comes down to the fact that the algorithm, as helpful as it was, couldn't satisfy their innate human need for interaction, responsiveness, and connection.

With all of the discussion around robots and algorithms in the workplace, this story serves as a cautionary tale for employers that believe that they can "automate away" the human parts of work. **The fact is employees need and want human interaction.** We have a fundamental desire to connect with other people, and we want to know that our work has a higher purpose.

[1] Upstart HR. "Your Uber Drivers Are Cheating Because They Don't Want An Algorithm For A Manager."

In this report, we'll explore:

- Dynamic technology that is changing work in fundamental ways that are arguably more challenging than any other time in history

- How AI tools and chatbots can help employers to effectively engage employees

- How the rise of AI and automation will make some of the core "human" skills — like creativity and collaboration — even more important

This report breaks down key ways to leverage workplace AI to make work more human, not less.

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Defining AI and Why It Matters

Artificial intelligence (AI), to put it simply, is creating machines that think like humans. That's because humans have some amazing capabilities. If we could use machines and algorithms to replicate those abilities without the inherent "baggage" of being human, such as forgetfulness or biased decision-making, the results could improve work and life for everyone.

One of the essential components of AI is a concept called machine learning.It is what it sounds like: a machine or computer performs a process and learns from the result, improving predictions with increasing accuracy over time. This gives computers incredible power to predict virtually anything. Some amazing use cases have arisen around identification of cancer cells, self-driving cars, and more.

What Does This Have to Do With HR?

Well, as noted economist and professor Joshua Gans put it in a recent interview, *the profession of HR is mostly about making predictions of one kind or another.*[2]

We predict who will make a good hire. We predict who will stay with the company. We predict who will make a good leader. The work we do is inherently wrapped up in the practice of making predictions about the workplace.

Yet, as we all know, our decisions aren't always based on data or science. They are often based on our "gut" or the intuition of our leaders, which aren't unbiased or infallible. However, if we could support those decision-making steps with systems and data, we can improve outcomes and deliver the employee experience we've always hoped for.

AI and Language Processing

Another component of AI is natural language processing. This is essentially a mechanism for a computer system to recognize and comprehend text or speech in a way a human might. Amazon has put up a million dollars in its Alexa Prize competition for someone to build a conversational algorithm that can interact with a person for 20 minutes, and they've yet to have someone hit that mark.

To be fair, we're not interested in creating a chatty new robot friend for our employees--we're interested in leveraging this technology to understand their need and challenges and put forth potential solutions based on those issues.

[2] *Blog Talk Radio. HR Happy Hour #319: Understanding AI for HR.*

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In several interviews with talent executives, one of the common resounding themes is to see AI technology not as a replacement for the capabilities of your team, but as a valuable addition to your team. The right tools can help HR teams have the right insights on hand at the right time, enabling them to make better predictions and decisions than ever before.

Key Use Cases for AI in Employee Engagement

Pairing employee engagement with AI might sound a bit counterintuitive, but this combination holds incredible promise for employers. Instead of just coaching managers to have more recognition moments only to have them forget, we can use AI to help them identify their gaps as leaders, remind them to recognize employees at critical points, and leverage conversational chatbots to engage workers in a deeper discussion than a survey might allow.

Top Indicators of High Performance

The 2017 Lighthouse Research Performance Management, Engagement, and Business Results research study highlighted distinct practices high-performing companies use more often than their lower-performing peers:

1) Recognition

2) In-the-moment feedback

3) Peer feedback

4) Development coaching

5) Strenghts-based approach

Based on this research, the advice our team has been offering is that other employers need to step up their game around these practices if they want to mirror those practices used by high-performing organizations. The good news? AI can help.

Ironically, in another research survey our team completed, HR and talent leaders said AI was the lowest priority for their team out of a range of options. In follow-up interviews, our team found that it wasn't that those leaders thought AI had no value—they just didn't realize the actual use cases and how it could solve their problems around employee management and engagement.

3 Ways AI Can Boost Engagement

The three use cases outlined on the next page are not an exhaustive list but can help you to wrap your mind around some of the ways these technologies can help to change our workplace.

1. Employee Feedback Via Chatbots

Have you ever interacted with a chatbot in a customer service capacity or elsewhere? We now have the capability to build an automated system to have conversations with us, guiding us to the right tools and resources. At the same time, these tools are capturing data from users in a conversational manner, offering up a gold mine of insights that wouldn't have been available before.

While it's easy to think that chatbots are an inhuman mechanism for engaging with workers, the fact is **many of them might not otherwise have a discussion with their manager if they had to do so face to face.** Plus, in one interview with a recruiting chatbot provider, the firm's representative explained that three out of every four candidates thanked the bot for the conversation, despite knowing full well it was not a real human being!

Chatbots enable employers to learn and interact with employees at scale. Use cases include everything from listening in on employee concerns with sentiment analysis to help support their needs to guiding managers with targeted recommendations and insights.

2. Employee Sentiment Analysis

What if you could know in real-time what your employees are thinking? More than just a survey with predefined answers, sentiment analysis lets employers peer more deeply into individual worker motivations and challenges. While there's nothing inherently wrong with surveys, they don't always offer a full picture of the issue that employees are dealing with on a daily basis.

The concept behind sentiment analysis is pretty simple: analyze large amounts of text and categorize them by sentiment, or attitude. The value is clear: by understanding the general mood for a population of employees, whether globally, by department, by location, or even on an individual basis, a company can better serve those workers and meet their needs.

This is accomplished by blending natural language processing with machine learning. Sentiment analysis relies on open, unstructured text from chat conversations, emails, and other qualitative inputs. Additionally, machine learning is used to train the system on words to look for that might signify issues. If all workers in a specific function mention salary or working hours in their communications or survey responses, then the systems can flag those areas for review by an HR representative.

Sentiment analysis tools, especially those that are always on, help to shed light on those critical needs and issues of employees. Creating this interaction point gives more data to employers to help them make decisions that can affect and improve employee engagement.

> *"By understanding the general mood for a population of employees, a company can better serve those workers and meet their needs."*

3. Manager Coaching

In virtually every presentation we've ever given on employee engagement, heads of HR and talent at firms both large and small agree that managers should be trained and coached around best employee engagement tactics.

But is all this focus on managers warranted? After all, employers have so many mechanisms for driving worker productivity and performance. Should the manager be the focal point for so much of our efforts? Consider the following story:

A San Francisco-based healthcare firm performed an experiment with its managers. The firm swapped the managers at high-performing teams with the managers of low-performing teams. Upon revisiting performance metrics a few months later, the firm's leadership realized that the low-performing teams had become high performers and vice versa. In other words, management styles have an incredible effect on team performance and, thereby, the company's bottom line.

Through smart notifications, greater insights into worker motivations and desires, and targeted coaching, all managers can improve their results. Those managers that struggle with consistent recognition and appreciation of their workers? They'll get better at both practices. And your great managers? They'll continue to grow as leaders as well..

Manager training is imperative to any organization trying to maintain high employee engagement and performance. Finding ways to combine the capabilities of people and artificial intelligence technology will ultimately lead to the best results. AI has the opportunity to help us to bring the best competencies from our best managers to the rest of their peers, driving more positive engagement for the workforce as a whole.

One CEO of a UK-based technology firm said he wants AI to help level up the performance of his workers, getting the lowest performers up to a level at or near that of his highest performers.

Think about that for a second. We all have great leaders and those that can use a little help and development, especially when it comes to managing and engaging their team. What if those at the lower end of the spectrum could perform as well in that regard as the best leaders within your firm? That is well within the reach of AI-enabled technology.

There's Hope, Not Harm, in AI

We're constantly barraged by news that AI will replace all of our jobs. The truth is those are merely guesses based on previous technology adoption, and they don't necessarily reflect reality.

We encourage companies to adopt AI as an opportunity to create more engaging environments for employees. And while training managers and implementing engagement processes with AI can be effective, it's important to remember that simply offloading everything to technology isn't the answer.

Company leaders that want to remove humanity from the workplace can do so with policies and culture changes—they don't need AI. If we want to create culture that enables performance and results, then we must adopt AI with compassion for the impact it will have on those that use it.

As with any technology, we have the capability to make the wrong decisions as leaders. A recent news article pointed out that using AI in the recruiting process creates a *dehumanizing* experience for candidates, and that can certainly be true. The resulting perception of your company is dependent on how you leverage the technology.

Are you merely automating away relationships and conversations, or are you scaling up the human touch to populations you couldn't reach in the past?

Start the AI Dialogue Today

It all comes down to creating an experience in which everyone can find value. Business leaders want HR practices that create value for the company, but to date we have been limited by the physical capacity of the HR teams at our disposal. Now, with artificial intelligence technology at our fingertips, we can scale up those HR practices that add the most value to the employees and the company.

OHaving worked in a variety of companies and advised a multitude of others, our team knows all too well the challenges of trying to engage employees in today's workplace. AI gives us the ability to scale our efforts, reaching and engaging more people than ever before.

The resulting perception of your company is dependent on how you leverage the technology.

² Blog Talk Radio. HR Happy Hour #319: Understanding AI for HR.

About Us

Lighthouse Research & Advisory is a modern analyst firm dedicated to setting the standard for excellence in talent, learning, and HR with practical research and a hands-on approach. By providing compelling research and actionable insights, our team enables learning and talent leaders to deliver more value to the business. Our research examines competitive practices, cutting-edge technologies, and innovative strategies.

Ben Eubanks is the Principal Analyst at Lighthouse, providing insights for today's talent leaders and vendor partners. Prior to joining Lighthouse, Ben worked as a researcher, writer, and speaker for nearly ten years, focusing on learning, talent acquisition, and talent management. During his tenure as a researcher, he has published more than 250 assets and provided advisory services to executives from some of the largest and most respected organizations in the world. In 2018 his book, Artificial Intelligence for HR, was published. This was the first piece of in-depth research on the topic published anywhere in the world and helped to solidify Lighthouse as a leading analyst firm.

He also has hands-on experience working as an HR executive, leading both strategic and tactical talent practices and giving his research a distinctly practical perspective. Ben has interviewed business leaders from notable organizations such as Southwest Airlines, H&R Block, and AlliedUniversal in his role as the host of We're Only Human, a podcast focused on the intersection of people, technology, and the workplace. In addition, he runs upstartHR.com, a website serving HR leaders that has reached more than one million readers since its inception.

Achievers

Your workforce is dynamic, so is Achievers.

Achievers is a behavior-driving employee engagement platform that listens to employees and aligns them with business objectives and company values. Our award-winning employee recognition platform and active listening interface with insights enable enterprise organizations to accelerate employee engagement.

Our mission at Achievers is to change the way the world works. Our Employee Success Platform is specifically designed to drive higher levels of employee engagement. It's built to align everyone with business objectives and company values, driven by recognizing shared victories every day. It's designed to make success a way of life.

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