



Bulding the future of work together

The human approach to AI in the workplace

The Work We Want – a WEC-FT Longitude collaboration

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The rise of AI is game-changing, not only for business but for society as a whole. As its rapid growth continues, however, huge challenges are emerging for everyone involved in managing the workforce.

There are concerns on multiple fronts, from the effect on jobs and skills, to questions around how managers treat employees. Our new global survey of 715 senior executives finds that 80% say talent planning has never been more difficult than it is today, while 81% believe that AI and other disruptive tech will require companies to rethink radically the availability of skills and resources across the workforce. Executives rank digital transformation and the rise of AI among the biggest challenges for talent planning in the next two years.

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There are opportunities, too, however: AI offers transformative benefits to employers. Across many industries, it will dramatically boost productivity and help close the skills gaps that employers have struggled with for years. This will be especially significant, given that a retirement wave is set to further shrink the talent pool and create more labour shortages.

"AI has probably come along at the perfect moment from the point of view of this looming demographic shortage of workers," comments Barry Asin, chief analyst at global staffing and workforce solutions advisor Staffing Industry Analysts (SIA).

While there are legitimate concerns that AI will make some jobs redundant, over time, most will evolve to incorporate it. In fact, for some professionals that reality is already here – as Johnny C. Taylor, Jr., president and CEO at SHRM points out. "You could be a talented engineer, graduating at the top of your class just a few years ago from a top university, yet much of how you used to code has already disappeared. That's going to happen in more and more roles", says Taylor. "It's not that your job's going to go away – but it will be meaningfully reconstituted."

Moreover, the application of AI and other new technologies will create new roles. The HR services industry is already seeing huge growth in demand for digital skills needed to help organisations

deploy AI. "A whole new set of workers will be needed to do a lot of the data work around AI," confirms Stijn Broecke, senior economist at the OECD. "AI needs to be trained, it needs to be validated, it needs to be checked. As we need more and more data, this is an area where we might need more workers, and I suspect that a lot of these will be flexible contingent workers."

A more human approach

HR and recruitment professionals are also beginning to see the possibilities that AI will create in their own field—84% of senior executives say they are excited by its potential to transform the way we can find and hire talent.

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Organisations will be eager to realise these benefits as quickly as possible, but it is essential that they approach them in a responsible way, maintaining human input.

"AI has a lot of potential but we cannot let AI decide when it comes to, for example, recruitment and evaluation of colleagues and workers," says Luc Triangle, general secretary of the International Trade Union Confederation (ITUC). "HR, management and recruitment decisions need to remain in the hands of people, not AI."

A human-centric approach is at the heart of the World Employment Confederation's (WEC) Code of Ethical Principles in the use of Artificial Intelligence, which sets out how employers can adopt AI responsibly. It confirms that AI systems used in recruitment and employment should be beneficial to individuals and society as a whole.

As policymakers seek to develop the legal framework for AI, industry leadership is vital. The EU is in the vanguard via its Artificial Intelligence Act – which categorises AI in education and vocational training, and in employment and worker management as being 'high-risk'. While WEC argues that evaluation fails to properly acknowledge the care being invested in AI use, it recognises that the HR services industry has a key role to play in setting and living up to ethical standards.

"Business must be guided by a human-centred approach," says Denis Pennel, managing director of WEC. "The people implementing AI must be fully in control, experimenting safely and averting unexpected harm, while striving to improve the lives of individuals and society."

Fighting bias

AI can be a powerful tool for helping recruiters and hiring managers set up skills-based hiring strategies, eliminating the potential human bias to seek certain educational credentials or personal demographics.

"AI will help organisations achieve their goals of making talent acquisition and recruitment processes more accessible, reaching into previously-untapped pools of talent," says Taylor. "AI facilitates us in keeping human biases out of the picture."

One of the most important reasons why human oversight must always be maintained over AI-informed decisions, however, is to ensure no bias does carry through into their algorithms, because of the data sets that their systems are trained on.

But Taylor notes it is important to keep these risks in perspective. "My take is that we have significant bias in the workplace and in talent acquisition today," adds Taylor. "Will AI have bias? Yes. Will it be less than human bias? Absolutely."

AI is creating huge uncertainty for businesses and for the HR services industry, but it will also be a crucial tool for solving the challenges that lie ahead. Used ethically and effectively, AI promises to create enormous opportunities for people and businesses alike.

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