IBM Services

Five ways Artificial Intelligence is being used in Human Resources today



Every aspect of life and work is being transformed by Artificial Intelligence (AI). Leading organizations understand the impact of AI on business models, workforce demographics and the changing experiences expected by customers and employees alike. AI combined with strategic insight creates new business

opportunities and is transforming the way Human Resources (HR) contributes to an organization's competitive advantage.

In its recent report, *The Business Case for AI in HR* ¹ in HR, the IBM® Smarter Workforce Institute has identified five primary reasons for implementing AI in HR.



1. To solve pressing business challenges

AI enables HR organizations to deliver new insights and services at scale without ballooning headcount or cost. Persistent challenges, like having the people resources to deliver on the business strategy and allocating financial resources accordingly, can be addressed through the thoughtful application of AI solutions.



2. To develop new skills

The business world is constantly being disrupted. In order to cope with this disruption, businesses need to respond faster to opportunities, and to work in an agile way to stay ahead of competitors. This means finding an effective way to compete for the skills required to innovate in this new operating environment. AI applications enable HR departments to acquire and develop employee skills in lockstep with shifting market demand.



3. To improve the employee experience

People have started to expect something different when they come to work; they want a personalized experience, not a standard one. They want things to be tailored and offered to them in a way that works for them from the start to the end of a process. Today, people can also look inside a business from the outside with sites like Glassdoor, which puts a huge premium on the employee experience.



4. To provide strong decision support

The speed of change and rate at which information is being generated means that business decisions today are best made analytically. Because the amount of information that needs to be considered is vast, AI can be used to make sense of it and deliver recommendations. As a result, the information managers and employees require is there just when they need it. AI also provides the opportunity for employee voices to be heard and acted upon in real time.



5. To use HR budgets as efficiently as possible

AI can enable HR to become more efficient with its funding. HR spend can shift to higher value and more complex problem solving, without reducing levels of service for workers who have more routine HR queries. HR savings made in this way can be reinvested in further AI deployment, increasing HR's ability to solve business challenges, continuously develop strategic skills, create positive work experiences and provide outstanding decision support for employees.

To read the rest of the IBM Smarter Workforce Institute report, click here.

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1 Nigel Guenole, Ph.D. and Sheri Feinzig, Ph.D. "The Business Case for AI in HR: With Insights and Tips on Getting Started." IBM, November 2018. https://public.dhe.ibm.com/common/ssi/ecm/81/en/81019981usen/81019981-usen-00_81019981USEN.pdf