servicenow

# Transforming HR Service Delivery

How Generative AI is Revolutionizing Employee Experience



### Introduction





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# **Webinar Agenda**



- 1 The State of Gen Al Adoption
- The Analyst Perspective on Gen Al in Human Resources
- Demo Generative AI for HR In Action
- The Impact to the Enterprise
- 5 The Governance Imperative



# Why is HR a Great Fit for Gen AI?

HR includes lots of repetitive work that is well-supported by policy



EMPLOYMENT VERIFICATION,
BENEFITS ELIGIBILITY, PTO BALANCE,
TELEWORKING AUTHORIZATION



HR is treading water with high attrition levels



AUTOMATION CAN RETURN
CAPACITY BACK TO HR FOR MORE
STRATEGIC WORKFORCE PLANNING

It is services-intensive and lags behind employee expectations



MOST HR ORGANIZATIONS DON'T OFFER GOOD EFFICIENCY, TRANSPARENCY, OR VELOCITY



The future of HR is fewer support agents and more consultants, product managers, designers, and advisors. This means more and more HR teams are 'building things' and 'analyzing things,' which is essentially a core part of what Generative AI does.

So in a sense, Generative AI is the perfect new solution for almost every challenge HR teams face."

—Josh Bersin, September 2023

# Josh Bersin's Vision for Al in HR – the "What"

- Talent Intelligence for Recruiting, Mobility,
   Development, Pay Equity
- 2. Employee Experience Apps (Onboarding, job transition, handling of day to day HR requests)
- 3. Employee Training and Compliance Apps
- 4. Employee Development and Growth Apps
- 5. Performance Management and Operational Improvement
- 6. Retention, Hybrid-Work, Wellbeing

#### **JOSH BERSIN**



AI

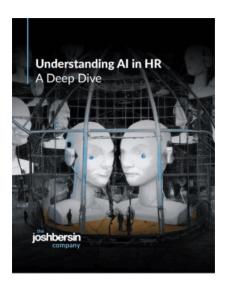
#### The Role Of Generative AI In HR Is Now Becoming Clear

BY JOSHBERSIN · PUBLISHED SEPTEMBER 1, 2023 · UPDATED SEPTEMBER 8, 2023

We now know that Generative AI will play a transformational role in Human Resources. And while many companies are embarking on pilots, hackathons, and "promptathons," I want to share what we've learned. (For an in-depth report on AI in HR please read our <u>Deep Dive on AI in HR</u> research.)

#### **HR Is An Integrated Operating Function**

Let's remind ourselves that HR, like
Finance, IT, and other internal functions,
is a design, support, and integration
function. HR partners with the business
and deals with a myriad of complex issues:
hiring, onboarding, training, leadership
development, performance management,
pay, rewards, benefits, hybrid work,
organization design, diversity strategy,
culture, and more. And prior to the
emergence of what we call Systemic HR,
most of these operating functions were
done somewhat independently.



Today companies are dealing with a competitive labor market, high levels of turnover and workforce stress, and the



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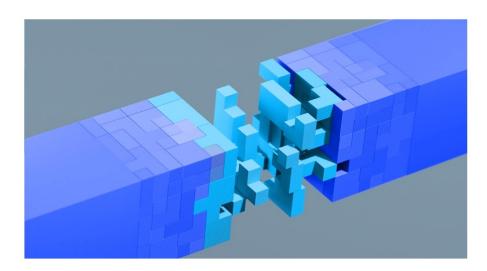
### Four ways to start using generative AI in HR

Generative AI enables substantial productivity benefits, especially for the HR function. Here are four opportunities for HR to get started.









# McKinsey's Perspective – the "How"

- 1. Content creation generating new content, such as text or images, to support recruiting.
- 2. Concision summarizing and extracting insights from unstructured data sources to enhance performance management processes.
- 3. Communication fostering employee engagement through direct communication and exchange with an Al-based chatbot.
- **Coding** interpreting data and generating programming code to support people analytics.

SOURCE: https://www.mckinsey.com/capabilities/people-and-organizationalperformance/our-insights/the-organization-blog/four-ways-to-start-using-generative-ai-in-hr

# These "Axes" Combined Give Us a Good Map of the Gen Al Opportunity Space for Human Resources What



# ¥oK

# Areas with the Greatest Immediate Return Based on Value and Cost / Gen Al Maturity

#### What

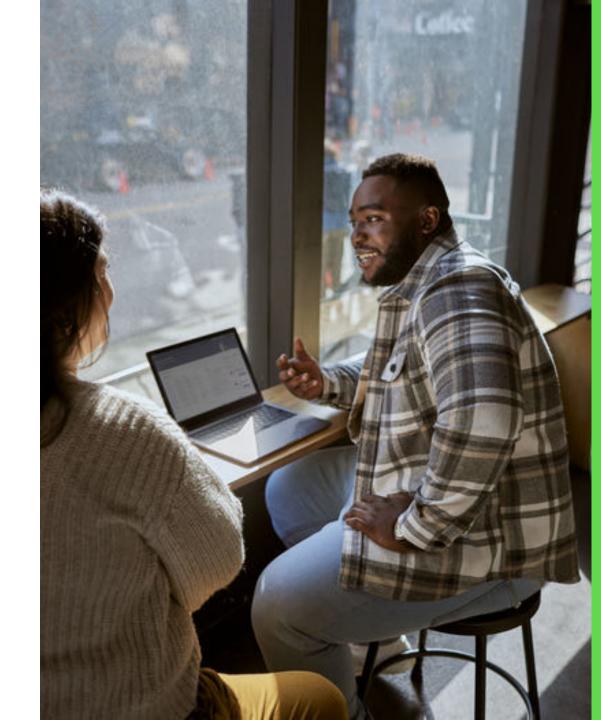


# **Talent Acquisition**

**Current State**: Most public sector organizations have talent acquisition systems and processes that put undue burdens on recruiters and provide applicants with an experience that does not meet Gen Z expectations.

#### Where Gen AI is changing the game

- Creating more **meaningful job descriptions**
- Engaging the most qualified candidates
- Extracting both explicit and implicit skills
- Aligning skills with agency and job mission
- Tuning recruiting strategy based on performance / results





## **Employee Experience**

Current State: Most public sector employees access HR and Enterprise Services via myriad legacy systems of record, intranet link farms, or email. SLAs are absent, and transparency is low.

#### Where Gen AI is changing the game

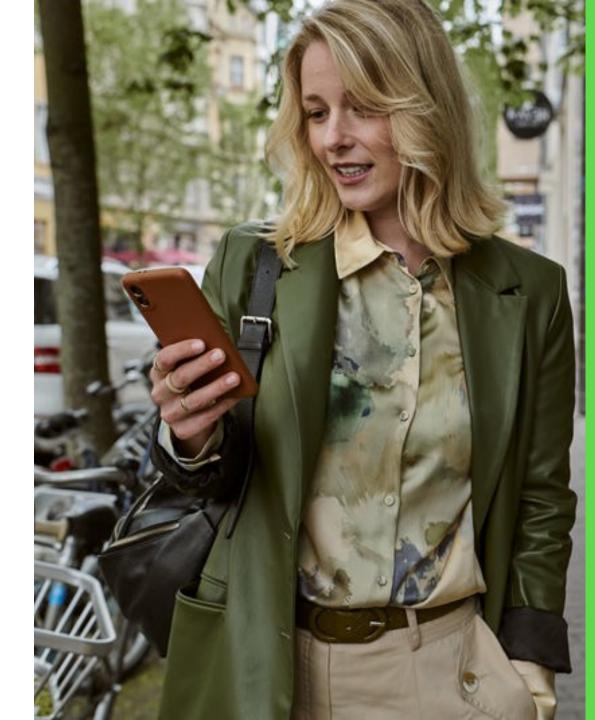
- Creating knowledge articles to drive improved self-service
- Providing **HR case / task / chat summarization** for request fulfillers
- **Driving accurate automated responses** to many types of HR inquiries
- Delivering **personalized**, **relevant content** like that we enjoy in our consumer lives
- Giving unprecedented insight into what employees need to feel supported in the workplace

## **Talent Development**

**Current State**: Talent development in most organizations is artisanal – small-scale, formal, and periodic (quarterly). It is probably the least mature of the 3 areas we're examining.

#### Where Gen AI is changing the game

- Author career journey recommendations based on knowledge of the employee, the organization, and the skills match
- Capture the complex skills inventories of the workforce
- Identify the skills requirements associated with the agency and its evolving mission
- Close the gap between the inventory and the mission requirement at-scale
- Provide a win-win increased capacity for the agency, career development for the employee





# ServiceNow's Internal Results Using Gen Al



#### **Self-service**

Case + incident avoidance = \$5.5M saved per year

54%

GenAl incident deflection\* saving **\$8K** per week

Up to 20%

case/incident avoidance with GenAl search saving up to \$60K per week

**Customer** and employee experience:

56%

share positive sentiment about Now Assist summarized results



#### Agent

Save time:

1/2

the time to generate resolution notes for closing an incident

#### Eliminate tedious work:

Up to 54%

of case/incident summaries were helpful to agents



#### Developer

**Speed innovation:** 

52%

acceptance rate for generated code (text-to-code)



### What Does the Future Hold for Al in HR?

More seamless experiences through the Hire to Retire journey



PROVIDE A CONTINUUM OF AI ENGAGEMENT THAT COVERS CANDIDATE THROUGH ALUMNUS



Deeper automation as confidence in Al grows



EVEN COMPLEX WORKFLOWS LIKE ONBOARDING / OFFBOARDING AND CAREER GROWTH JOURNEYS

Increased synergy for predictive Al to complement generative Al



IDENTIFY CRITICAL AREAS FOR SUCCESSION PLANNING, PREVENT AVOIDABLE EXITS, IDENTIFY AND RESOLVE DIVERSITY ISSUES

# Staying Cognizant of Risk Areas

- Unintentional bias in hiring, development, or corrections
  - Gender
  - Age
  - Race
  - Other
- Employee Relations incidents
  - Harassment
  - Misconduct
  - Discrimination
- Grievances / Accommodations



# Gen Al Adoption is a Journey, Not a Destination

The number of "moving targets" demands periodic re-assessment and adjustment

