

# ÜKG

## AI in the Modern Workplace



## Introduction

Artificial intelligence. Depending on your personal views, it might be a revolutionary force poised to shatter work norms forever, an intriguing tool to make life a little easier, an oversold vision of the future, a nuisance, a time saver, a job stealer, or merely the latest in a long line of buzzwords.

But no matter your take, it's clear that AI is unavoidable, dominating headlines and discussions in the creative, collaborative, and corporate worlds. Workplaces across the globe are realizing that AI is here and here to stay, but have vastly different outlooks on whether this is a positive or a negative, how employees' lives will change, and the best ways to leverage this technology to benefit the human beings at the center of every organization.

The truth is nuanced and complex. AI is often only as good as the use cases and solutions chosen to harness it. But enterprises lie at the forefront of an astounding opportunity to get the most from this new tech, having both the most pressing need for automation at scale and the rich datasets that can feed these solutions to enable more specific, unique, workplace-centric outcomes. [Gartner claims that by 2026, 80% of enterprises will have used generative AI application programming interfaces \(APIs\) or deployed gen AI applications.](#)<sup>1</sup>

In this white paper, we'll examine the latest in modern AI as it applies to any business — what it is, what it isn't, and how it will tangibly impact your people from the individual, frontline worker to the overall workforce. Most importantly, we'll demonstrate that AI is best viewed not as a threat or a strategy to eliminate human workers, but instead for what it can be at its best: an ethical and reliable sidekick for all, helping strengthen your organizational culture and meet employee needs quickly and equitably.

**McDonald's** has begun to use conversational AI in recruiting, to both shorten the hiring cycle and make the experience better for applicants. Candidates, including those who do not have resumes, can apply via text message, find times to interview, and move through the application process in hours rather than weeks.<sup>2</sup>

## A New Take on Old Challenges

Enterprises around the world continue to contend with major challenges in the wake of global events and shifts in the labor force of the early 2020s: a war for limited talent, data overload as we amass huge quantities of unstructured information, and historically low levels of trust in organizations.<sup>3</sup> AI is poised to help forward-thinking enterprises make headway on every one of these issues, but it carries its own set of challenges. Consumers and individual employees are wary of AI as a possible threat to their job security, while many employers still struggle to see what broad value it can bring to their operations. In a recent survey, only 47% of respondents agreed that they were sufficiently educating their employees on the capabilities, benefits, and value of generative AI.<sup>4</sup>

Now for the good news. While much public sentiment about AI — especially the latest advances in generative AI — has focused on its potential to steal, reduce, or eliminate jobs, this fear is largely unsupported by the data. According to the latest McKinsey study on the future of work, while disruption is expected and the mix of jobs is likely to change (with lower demand for some categories), **generative AI is predicted to fuel employment growth** for the overall labor market.<sup>5</sup> For most workers, the aggregate duties comprising their roles are not likely to be fully automated, even in the long term. And while declines in some categories are likely unavoidable, they will be accompanied by new opportunities fueled by this increase in automation.

Most jobs today contain a significant number of specific tasks that are good candidates for automation. This means that AI will likely alter the day-to-day activity of most of the workforce. Goldman Sachs has performed extensive research into the labor hours likely to be replaced by automation via generative AI, and they found that “most jobs and industries ... are more likely to be complemented rather than substituted by AI.”<sup>6</sup>

Overwhelmingly, the tasks likely to be automated tend to be manual and repetitive with low strategic value — the kind that employees wish they could do less often anyway. And these tasks already represent a larger chunk of time than they should for many organizations. This is especially true for leaders, with another study by collaboration expert Asana indicating **up to 62% of the workday may be lost to repetitive, mundane, and administrative tasks.**<sup>7</sup>



### AI Use Case: Conversational Assistant

**Functionality:** a chatbot accessible by employees at all times, enabling them to ask questions in plain language, find the right info, and get things done quickly.

**Advantage:** Compared to dialogue tree-driven chatbots of the past with canned responses, conversational AI can actually **generate dynamic responses based on the specific questions employees ask** and the appropriate corporate information.

**Example:** An employee still new to their HR software needs to make a direct deposit change and name a beneficiary. After they ask the conversational AI, it not only guides them to correct forms but it also walks them through the changes in real time — meaning the request never makes it to a manager or HR.



When we look closely at the specific capabilities of this technology, we can start to see the unprecedented potential. Work life made easier, engaged and innovative employees, meaningful insights delivered when they're needed most, and better decision making for all. This, in turn, means better retention of your top talent, as your people feel more connected to your strategic goals and perform more purposeful, impactful work.

This is because the capabilities of AI, combined with comprehensive human capital management and workforce management in the cloud, have the potential to provide people guidance with insights to grow and thrive while keeping them at the heart of the experience.

## Closing the Gap on AI Value

With all this upside, it might seem as though enterprises of all types should be primed to begin using AI to its fullest potential as soon as possible. Unfortunately, a major hurdle to this acceptance remains in that the true value (and especially return on investment) of AI is unknown for many organizations. In particular, surveys show substantial discrepancies between how executives view their AI/automation strategies, and how employees perceive their organization's use of AI in practice.

A recent global UKG® study of more than 4,000 respondents across 10 countries indicate that executives overwhelmingly feel they're already embracing AI, with **78% of C-suite leaders saying they are actively using AI today**. This obviously represents a significant investment in the growing technology and a belief that its adoption will be worthwhile. And yet, **more than half of employees say they have no idea how their company is using AI at present**.<sup>8</sup> These employees have often been told that AI is going to change their lives forever and revolutionize the way jobs are done, but the "how" remains a total mystery.

"Organizations must be more upfront about how they're using AI in the workplace if they want a competitive advantage and want to earn — and keep — the trust of their employees," according to Dan Schawbel, managing partner at Workplace Intelligence, which partnered with UKG for the study.

While this disconnect demonstrates that there is plenty of work to be done to inform the workforce at large, it also represents an exceptional opportunity. Future-oriented enterprises have a once-in-a-generation chance to educate their employees on the value of these technologies and start getting the most from them now, while competitors will be forced to play catch-up in the coming years. By 2028, companies using AI today estimate that a **full 70% of their workforce will be using AI to assist with some of their job tasks**. This means that when it comes to bringing AI adoption into the spotlight for your people, the time to act is now.

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***Qantas Airways is furthering its diversity and inclusion goals by using chat-based AI assessments in place of traditional video interviews, which biased toward young and physically attractive candidates. This move increased customer satisfaction while lowering turnover.***<sup>9</sup>

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# Embracing the Future

Robust AI solutions are not only able to help employers combat their most common workplace challenges and cut down on some manual tasks, but they also augment employees with capabilities they might have never explored before. Generative AI can even go beyond enhancing employee productivity in their current roles, assisting them in upskilling and cross-skilling to expand their overall opportunities at your organization. Rather than replacing the human element, these technologies have the power to boost productivity and empower employee growth by working alongside people as a trusted, reliable sidekick.

AI has the potential to operate as a great equalizer, ensuring a diverse and equitable workplace. It can help to refine your unique workplace culture, while ensuring that employees at every level have the tools they need to make impactful, data-driven decisions both personally and professionally. These technologies can harness the huge amounts of publicly available data for the most up-to-date language capabilities while being tailored to the custom needs of your organization. In fact, leading solutions can draw upon three levels of AI at the same time:



## Customer Models

AI fit to the specific individual culture of your organization and leveraging your own unique set of people data



## General Models

AI built to meet the needs of leading organizations, drawing upon traditional HR, payroll, and other people data, including datasets from historically successful businesses



## Large Language Models

AI able to scale for organizations of any size, in any industry around the globe, drawing from enormous quantities of wide-ranging public datasets

With this robust, flexible, and evolving data foundation, smart use of AI is able to put organizations in striking distance of that long unattainable goal: **future-proofing**. It represents an investment not only in the capability of today's technology to meet the needs of your people but also a commitment to an entirely new avenue for building better workplace culture of which we are only at the very beginning. Organizations that invest in AI and educate their workers today will become the great workplaces of tomorrow.



# Practical Use Cases for AI

When investigating AI-driven human capital management and workforce management, consider just some of the following use cases for individual contributors/frontline workers, HR professionals, and people leaders, and how they might address specific ongoing challenges at your organization:

## For individual contributors and frontline workers:

- Provide flexible, convenient scheduling with self-service for intelligent shift-swapping
- Reduce and/or simplify commuting and avoid rush hour traffic
- Offer automated on-demand pay for employees to enable them to access wages flexibly and enhance financial wellbeing
- Identify any discrepancies in pay equity with automated analysis of compensation data, ensuring fair pay across the workforce
- Assist employees with finding and creating career pathways, matching their skills and aspirations with suitable future roles
- Empower employees to provide instant feedback and answer their own questions with conversational AI prompts

## For HR professionals:

- Attract top talent by streamlining recruiting, identifying high-potential candidates, and personalizing onboarding
- Retain top talent by providing the right tools in the right moment to help HR anticipate workforce issues like turnover and skills gaps
- Guide employees, HR leaders, and people managers with insights and training
- Build and sustain a diverse, engaged workforce by providing insights on employee demographic breakdowns
- Prove that you are listening to your employees by investing in the technology they need to thrive

## For managers:

- Become a champion for your team by giving them the support and tools they need in the moment, including self-directed chat
- Identify opportunities for frontline employees to find extra shift opportunities and learn new skills
- Spot and correct any inequities in employee pay, promotions, overtime, and other key work figures
- Analyze vast datasets and create reports in seconds based on specific asks through conversational reporting
- Help ensure diversity, equity, inclusion, and belonging with AI-prompted leadership recommendations, including new training and development opportunities

**As a result [of leveraging AI-powered solutions], our leaders and associates can focus on what's most important: interacting with customers, driving sales, and delivering an outstanding experience to everyone who walks through our doors.**

**Jim Abbatemarco,**  
Vice President of Retail Operations at The Vitamin Shoppe

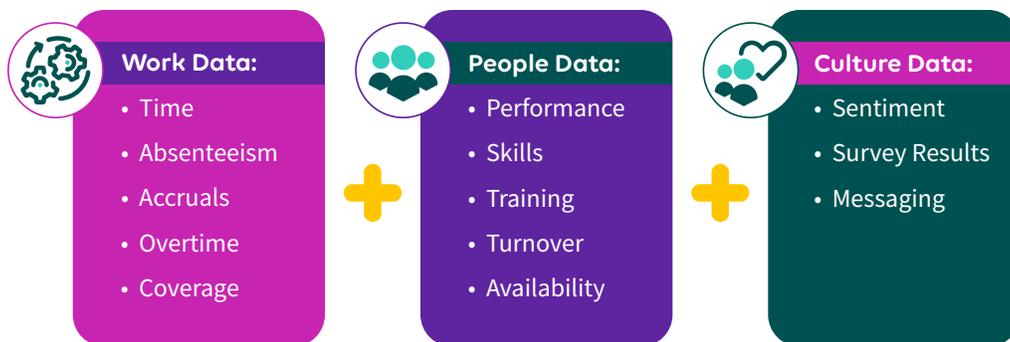
## Finding the Right Solution

While making the choice to invest in an AI-driven solution for the needs of your workforce is a great first step, it's important to remember that **not all AI is created equal**.

Some vendors may claim to have solutions that can meet the unique needs of your organization, but in fact deliver a one-size-fits-all platform that struggles when presented with a challenging scenario you assumed would be perfect for automation. Others may be so focused on specific use cases that they are not able to deliver a holistic view of your workforce data.

Look for solutions that craft generative AI into a trusted sidekick for employees and managers, empowering them to grow and thrive by anticipating and providing insights at key moments. This type of AI is always available to your workforce regardless of location or device. But it is never overbearing. **It doesn't make decisions — it helps your people do that.** Such a solution is always there to answer questions, boost efficiencies and optimize outputs, and guide users toward better decisions.

The most effective form of this AI companion is one that takes advantage of rich *people data* in addition to traditional *work data*. Best-in-class solutions can even leverage complex *culture data*, including employee sentiment analysis, survey results, benchmarks, and best practices to paint a fuller picture of your workforce and its needs:



### AI Use Case: Conversational Reporting

**Functionality:** Analysis of vast quantities of data to be repurposed into reports via questions posed in natural language.

**Advantage:** Traditional reporting can take hours of manual data collection, analysis, and trial and error to deliver the correct information in a readable format.

**Example:** A manager looking to compare turnover information quarter by quarter across all retail locations in a certain region can simply ask a chatbot to create a bar graph of this information and be presented with an accurate, viable report in seconds.≠

It's also important that AI solutions keep safety, data security, and ethical considerations as priorities. As the custodian of these powerful new technologies, organizations are under a great deal of pressure to handle data sensitively and hold themselves to a high standard of ethics as systems continue to mature. We have already seen incidents of sensitive organizational data leaking into the public space through LLM models. Make sure that any AI solutions that you consider have the ability for users to opt in or out of sharing sensitive or personally identifiable information, use reputable third parties to validate their security standards, and ensure company data isn't shared publicly. Some other ethical AI hallmarks to look for include:



### 1. Fairness and Inclusiveness

AI should be harnessed in ways that promote inclusiveness, help achieve equitable outcomes, and avoid creating or reinforcing bias. This requires diverse teams to implement the solutions, along with rigorous testing and evaluation with external stakeholders.



### 2. Transparency

Responsible use of AI includes clearly explaining when, how, and why AI is being used as part of a given solution. Additionally, look for providers to spell out the safeguards in place to protect against potential risks.



### 3. Privacy and Security

As with any technology, AI solutions must prioritize the importance of protecting customer data and other proprietary information from attack, manipulation, and other malicious behavior. Ensure that any vendor handling your data is subject to industry-standard cybersecurity practices such as SOC audits and ISO certifications.



### 4. Reliability

AI is complex, evolving technology and as such requires continuous training, testing, and feedback to maintain and enhance it over time. Consider solutions built to be trustworthy and responsive, striving for the latest and most accurate datasets, and monitored by humans for unintentional bias.



UKG Bryte

Seek out a solution built with a people-centric approach, designed to ensure that no matter how powerful the automation, humans remain at the center of the experience and always in control. For information on how UKG delivers on the promise of AI that puts people first and inspires great workplaces for all, [learn more about UKG Bryte](#).



## About UKG

At UKG, our purpose is people. We are on a mission to inspire every organization to become a great place to work through HCM technology built for all. More than 80,000 customers across all sizes, industries, and geographies trust UKG HR, payroll, workforce management, and culture cloud solutions to drive great workplace experiences and make better, more confident people and business decisions. With the world's largest collection of people data, work data, and culture data combined with rich experience using artificial intelligence in the service of people, we connect culture insights with business outcomes to show what's possible when organizations invest in their people. To learn more, visit [ukg.com](https://ukg.com).

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