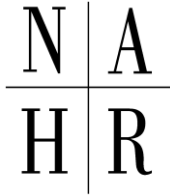


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NAHR Fellows Pre-Dinner Discussion Meeting
Thursday, November 9, 2023
11:30 a.m. - 4:30 p.m. (Eastern)

JW Marriott Essex House – NYC - (Central Park Room – 2nd Floor)

AGENDA

11:30 a.m. - 12:30 p.m. Buffet Lunch

12:30 p.m. - 1:00 p.m. Introductions

1:00 p.m. – 1:15 p.m.

NAHR Fellows: Deborah Caplan, Wayne Cascio, Kerry Chandler, Tim Hourigan, David Lewin and the 2023 Master's Students

Topic: *Master's Students Morning Discussion Overview and Observations*



Deborah Caplan
Executive Vice President,
Human Resources and
Corporate Services,
NextEra Energy, Inc.



Professor Wayne Cascio
Distinguished University
Professor of Management
Emeritus,
University of Colorado Denver



Kerry Chandler
Formerly CHRO, Bombas
Board Member:
Redfin, Lyra Health



Tim Hourigan
EVP, Human Resources,
The Home Depot



Professor David Lewin
Neil H. Jacoby Professor Emeritus of Management,
Human Resources and Organizational Behavior,
UCLA Anderson School of Management

1:15 p.m.- 2:00 p.m.

NAHR Fellows: Tim Bartl and Christy Pambianchi

Topic: *Employee Voice in the Current Labor and Employee Relations Landscape*

Labor and Employee Relations are at a crossroads in America. Many dimensions of worker expectations are manifesting in an upsurge in worker organizing and activism and causing business leaders - CEOs, HR and Labor Relations executives and others - to rethink some of their core strategies. We will review current research documenting trends in worker expectations and actions occurring across the country, explore how these are playing out in NAHR members' organizations, the impact of labor law changes at the federal and state levels, and discuss pivotal questions facing HR leaders at this critical juncture.



Tim Bartl
President and Chief Executive Officer,
Human Resources Policy Association



Christy Pambianchi
Executive Vice President and
Chief People Officer,
Intel Corporation

2:00 p.m. – 2:15 p.m. Break

2:15 p.m. - 3:00 p.m.

NAHR Fellows: Katy Barclay, Diane Gherson and Jill Smart

Topic: *The New Focus of the Board on Talent and Culture Risk - How is it Going?*

Talent systems and the culture created by leaders have emerged as risks and benefits to strategy execution, company brand and ultimately shareholder value. This session will explore to what extent culture and talent are now part of the board remit and discussions beyond the traditional topics of succession and Executive Compensation. The panel will explore what public boards are asking, what data boards are seeking, how boards are connecting the dots, and the evolving role of CHROs in supporting the board's understanding of talent and culture risks.



Katy Barclay
Formerly CHRO,
The Kroger Company
and General Motors



Diane Gherson
Senior Advisor, BCG
Formerly CHRO, IBM



Jill Smart
President Emeritus, NAHR
Formerly CHRO, Accenture

3:00 p.m. – 3:45 p.m.

NAHR Fellows: Bill Allen, Kevin Cox, Rich Floersch

Topic: *Future Health Care Considerations for Self-Insured Employers*

With so many issues competing for the CHRO's attention, the current disruption in Health Care has been elevated to the CHRO's key strategic focus. Health care is one of the most significant people costs and one of the most valued employee benefits. Self-insured employers have a critical role to play in building a more effective, transparent, and customer-centric health care system. It is both a significant social issue as well as a cost issue for self-insured employers. This panel will explore the CHRO's role in driving positive change and how organizations are addressing the rapidly changing health care environment.



Bill Allen
Senior Partner, CEO.works
Formerly CHRO, Macy's Inc.
and A.P.Moller-Maersk



Kevin Cox
CHRO, GE and
Chief Administrative
Officer, GE Aerospace



Rich Floersch
Senior Strategic Advisor,
HR Policy Association,
Formerly Executive Vice President &
CHRO, McDonald's Corporation

3:45 p.m. – 4:30 p.m.

NAHR Guest: Greg Vert

Topic: *How Artificial Intelligence is Shaping the Future of Human Resources*

A new era is upon us. Most organizations are exploring augmenting their work process and strategy with Artificial Intelligence (AI), and the road ahead is both unclear and exciting. In this session we will explore how organizations are using AI, what the future of the Human Resources function is in a world of Artificial Intelligence and importantly we will explore the opportunities that AI creates for the Human Resource function and for CHROs to elevate their impact in their organizations. This session will help you think about how you can prepare for these tectonic shifts that are imminent.



Greg Vert
Principal, Digital & HR Transformation Leader,
Deloitte Consulting

N | A

H | R

Human Resources: A Leadership and Management Perspective

David Lewin

Neil H. Jacoby Professor Emeritus of Management, Human Resources
& Organizational Behavior

UCLA Anderson School of Management

Email: david.lewin@anderson.ucla.edu

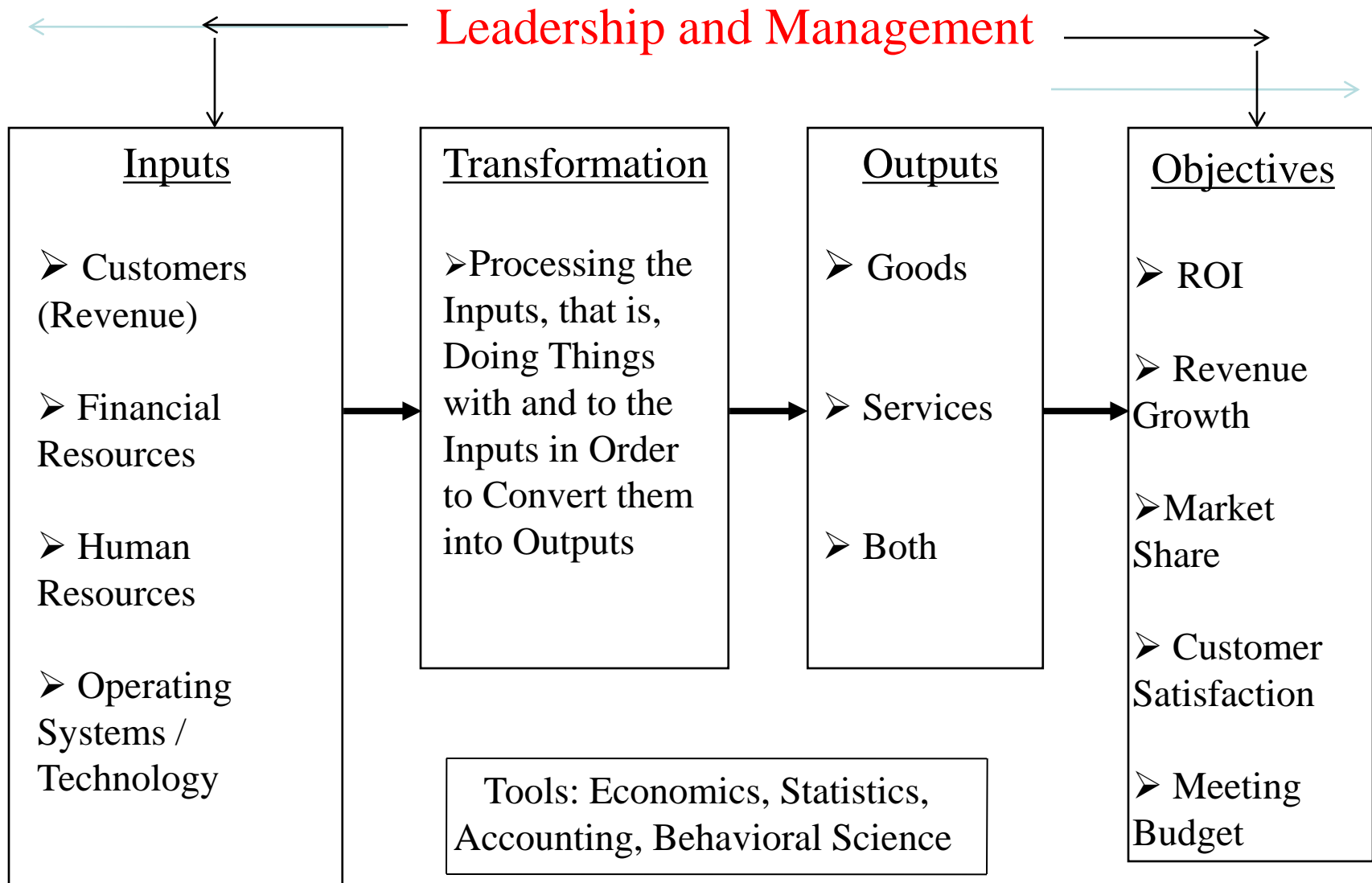
National Academy of Human Resources (NAHR)

Masters Students Program

November 9, 2023

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HR Leadership: An Integration Perspective



The Future of Work, AI, and the Role of HR Leaders

Wayne Cascio
Distinguished University Professor Emeritus
University of Colorado
NAHR, November 9, 2023

Generative Artificial Intelligence (AI)

- Fear of many in white-collar and creative professions: once generative AI advances enough, it will replace them the way robots have replaced many factory jobs
- It has the capability to misinform human users with incorrect statements and outright fabrications
- AI's capacities are not static but expand exponentially as the technology advances

Generative Artificial Intelligence (AI)

- The lack of citations in ChatGPT's answers makes it difficult to discern truth from misinformation
- Malicious actors and deep fakes can easily mislead
- The genie of generative AI is out of the bottle
- Challenge: Find simple, accessible ways to assess critically the outputs of AI systems

Concerns About AI and Automation

Both will expand

- Challenge: eliminate drudgery, not positions

To avoid concerns about AI bias:

- Be transparent about how you are using it
- Publicize AI audit data
- Allow employees and job candidates to opt out of AI processes

N	A
H	R

The NLRB for CHROs: The Minimization of Employer Voice

The National Labor Relations Board, which sets and enforces federal labor law and policy, is the vanguard of the Biden administration’s aggressive workplace policy agenda. The Board and its General Counsel are operating under the premise that employees without a union are inherently disadvantaged or being exploited. Accordingly, their actions are directed at tipping the playing field in favor of unions, smoothing the path towards unionization, and in general, removing the employer and employer voice from the equation as much as possible. Whether your employees are unionized or not, and whether you are facing a potential union campaign or not, recent Board activity will have significant practical impacts on your ability to engage with your employees – including attracting and retaining talent – and manage your workplace. Below is a brief review of recent and forthcoming Board actions, what they mean, and why they matter.

BOARD ACTION	WHAT IT MEANS	WHY IT MATTERS
<p>Card Check Union Recognition</p> <p>Recent Decision: Cemex (resurrecting (in part) the <i>Joy Silk</i> doctrine)</p>	<p>If employers commit any unfair labor practice during a union election campaign, and the union can show that a majority of employees have signed cards supporting the union (“card check”), the Board will order the employer to recognize and bargain with the union, without a secret ballot election (“card check recognition”).</p>	<p><i>There has never been an easier and faster way for your employees to become unionized.</i></p> <ul style="list-style-type: none"> • Unfair labor practice allegations are extremely common during representation campaigns, and the current Board is likely to side with the union in many if not most circumstances. • As discussed below, it has never been easier for an employer to commit an unfair labor practice. • In practice, then, a union really only needs to get a majority of employees to sign authorization cards (“card check”) to gain recognition.

BOARD ACTION	WHAT IT MEANS	WHY IT MATTERS
<p>Restrictions on Workplace Rules</p> <p>Recent Decision: Stericycle</p>	<p>The Board handbook police are back. Any workplace rules that the Board feels restrict employees' rights will be considered unlawful – whether actually enforced or merely maintained.</p>	<p><i>Even the most straightforward of workplace rules could be considered unlawful.</i></p> <ul style="list-style-type: none"> • When this same standard was enforced by the Obama-era Board, even rules such as “behave in a professional manner” were considered unlawful. • It will be extremely difficult to maintain or enforce any workplace rules or policies without running afoul of the Board. • A slip up in this area – which again, will be easy to do – could result in card check union recognition (see above).
<p>“Quickie” Election Rules</p>	<p>The Board issued new rules significantly condensing the timeline for union elections.</p>	<p><i>You will have much less time – and fewer avenues – for countering union campaigns.</i></p> <ul style="list-style-type: none"> • The Board’s new rules streamlines a union’s path towards an election, and creates an uneven playing field in favor of unions and to the disadvantage of employers. • Under the new rules, average election timelines could be condensed from roughly 8 weeks down to 3-5 weeks.

BOARD ACTION	WHAT IT MEANS	WHY IT MATTERS
<p>Offensive Language in the Workplace</p> <p>Recent Decision: <i>Lion Elastomers</i></p>	<p>Employers are restricted from disciplining employees for using offensive language in the workplace, so long as the language was in some way connected to an employee exercising their NLRA rights.</p>	<p><i>You may have to choose between maintaining harassment free workplaces – in compliance with anti-discrimination laws – or complying with the Board and federal labor law.</i></p> <ul style="list-style-type: none"> • In previous cases applying the same standard as the Board adopted here, racial epithets, sexually harassing language, and violent threats were all considered protected by the NLRA, meaning employer discipline of such language is unlawful. • The current Board broadly defines “protected concerted activity” (<i>i.e.</i>, employee rights under the NLRA to engage collectively to address their terms and conditions of employment). Nearly all actions taken by an employee – and any offensive language used during – will be protected by the current Board.
<p>Protection for Protests on Behalf of Nonemployees</p> <p>Recent Decision: <i>American Federation for Children</i></p>	<p>Employee protests or actions on behalf of nonemployees or issues unrelated to their own workplace or terms of conditions are protected by the NLRA.</p>	<p><i>You may be unable to discipline or prevent your employees from using work time to protest issues unrelated to your own workplace (e.g., BLM, climate change, or other social issues).</i></p> <ul style="list-style-type: none"> • Social issues advocacy and protests have never been more prominent, and the Board has now given employees the greenlight to bring these issues into their workplaces on work time.

POTENTIAL BOARD ACTION	WHAT IT MEANS	WHY IT MATTERS
<p align="center">Restrictions or Prohibitions on Mandatory Employer-held Meetings</p>	<p>The Board’s General Counsel is pushing the Board to ban “captive audience” meetings. While this traditionally refers to mandatory anti-union meetings held by employers during union election campaigns, the General Counsel would ban nearly any employer-held mandatory meeting that involves employees’ terms and conditions of employment – even a one-on-one with a supervisor in passing.</p>	<p align="center"><i>Requiring employees to attend meetings – even those that are unrelated to unionization – may soon be unlawful.</i></p> <ul style="list-style-type: none"> • The General Counsel, and to a lesser extent the Board, are driving to minimize employer voice as much as possible, and not just in the context of a union election campaign. • Employers may find their hands tied when it comes to trying to communicate effectively with their employees.
<p align="center">Restrictions on Workplace Surveillance and Automated Management</p>	<p>The General Counsel is pushing the Board to prohibit employers from using workplace monitoring or management practices that she believes infringe upon employee rights.</p>	<ul style="list-style-type: none"> • Many current, standard employer workplace monitoring and management practices may become unlawful. • The General Counsel believes the NLRA affords employees a general right of privacy. • Monitoring computer usage, tracking use of employer vehicles, and using AI to analyze collected data are some of the practices identified as potentially unlawful. • Even if the above and other practices are used primarily for safety purposes, they may be considered unlawful. • This is another example of the General Counsel – and potentially the Board – restricting an employer’s ability to manage the workplace (whether or not a union is present).

The above actions are only a small sample of recent and forthcoming Board activity. Whether or not you have a union, these Board actions and others will have significant practical impacts on the ability to manage and meet the needs of your workforce. The chart below illustrates the significant differences in how employers will face union representation campaigns before and after the above actions. In short, between the above and the below, an employer could go from union free to a union in as little as a few weeks.

The Union Election Campaign

	BEFORE	NOW
Overall Timeline	On average, 6-8 weeks. Employers had several weeks (or even months) to contest a union campaign, challenge voter eligibility, and lawfully educate their employees on the implications of unionization.	On average, 3-4 weeks. Employers have limited time (days) to contest a union campaign and lawfully educate their employees on the implications of unionization, and can no longer delay an election through voter eligibility challenges.
Start of Election Campaign	Union solicits majority support amongst employees and eventually files a petition for election (if employer chooses not to recognize their support)	Union presents employer with proof of majority support, employer must either recognize the union or file its own petition for election within 2 weeks.
Employer Speech	In addition to having more time for campaign speech, employers could generally freely express their views on the implications of unionization to their employees.	In addition to having less time for campaign speech, employers are restricted from expressing their views on the implications of unionization to their employees, including potentially being prohibited from holding mandatory meetings on these issues and others. Nearly all employer speech during these campaigns will receive close scrutiny from the Board.

	BEFORE	NOW
Unfair Labor Practices	Unlawful employer conduct during the election campaign generally would result in the election itself being rerun. The Board would only require the employer to recognize and bargain with the employer if the conduct was so severe as to make it virtually impossible to hold a fair election.	Unlawful employer conduct during the election campaign will result in the Board requiring the employer to immediately recognize and bargain with the union, regardless of the severity of the conduct.
Union-Free to Union	Generally only after a months-long campaign concluding in an election in which a majority of employees casts ballots for the union.	<p>In as little as three weeks, as long as the union has showed majority support at some point (often through signed authorization cards, but does not have to be), and the employer has committed at least one unfair labor practice.</p> <p>Even if the employer is completely silent in the face of the union's campaign, even if not a single supervisor says anything considered unlawful, the employer could still face a union if the Board feels that any workplace rule the employer has on the books, or any workplace monitoring practice the employer uses (even if only for safety purposes) is unlawful.</p>

N	A
H	R

Board focus on Talent and Culture Risk

How is it Going?

Katy Barclay
Diane Gherson
Jill Smart

Board touchpoints on human capital issues



NACD:

49% of the S&P have a Comp Committee with an expanded name

The Evolving Scope of the Compensation Committee			
OVERSIGHT AND ADVISORY ROLE	COMPENSATION COMMITTEE	LEADERSHIP DEVELOPMENT & COMPENSATION COMMITTEE	HUMAN CAPITAL/TALENT & COMPENSATION COMMITTEE
Evaluate CEO performance	■	■	■
Establish pay levels for CEO and senior management	■	■	■
Administer compensation programs, including bonus and LTI measures, and manage equity pool	■	■	■
Conduct regulatory oversight (CD&A, say-on-pay, say-on-frequency, risk review, etc.)	■	■	■
Focus on executive retention	■	■	■
Select independent outside advisors	■	■	■
Set nonemployee director compensation	■	■	■
Succession planning and focus on "next level" bench strength		■	■
Begin to focus on employee-wide issues (pay equity, diversity, employee engagement)		■	■
Diversity, equity, and inclusion			■
Training and development			■
The talent pipeline down the organization			■
Culture and ethics			■
ESG			■

Source: Pearl Meyer

Shareholder Lawsuit: *McDonald's Corporation Stockholder Derivative Litigation*, Delaware Chancery Court Decision March 2023

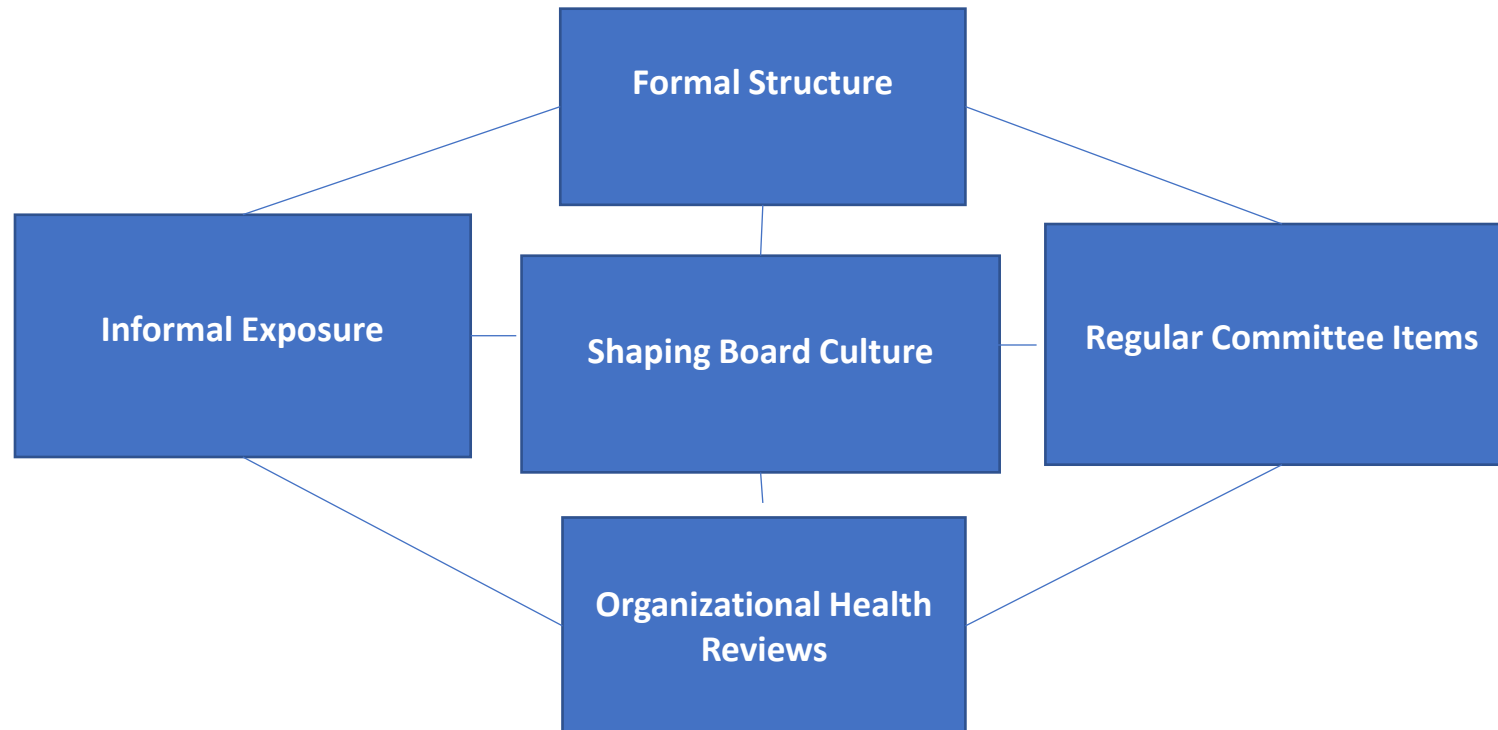
Court finds Chief People Officer David Fairhurst in breach of his fiduciary duty

“by ...failing either to address red flags of a toxic culture and widespread complaints of sexual harassment and misconduct, or to escalate them to the Board or CEO.”

The court made clear that officers owe the same fiduciary duty of oversight as do directors “as to matters within their areas of responsibility.”

Officers may be liable to the extent they do not implement Information Systems or address Red Flag Obligations.

How can boards exercise appropriate oversight of talent and culture risk?



N	A
H	R



Future Health Care Considerations for Self-Insured Employers

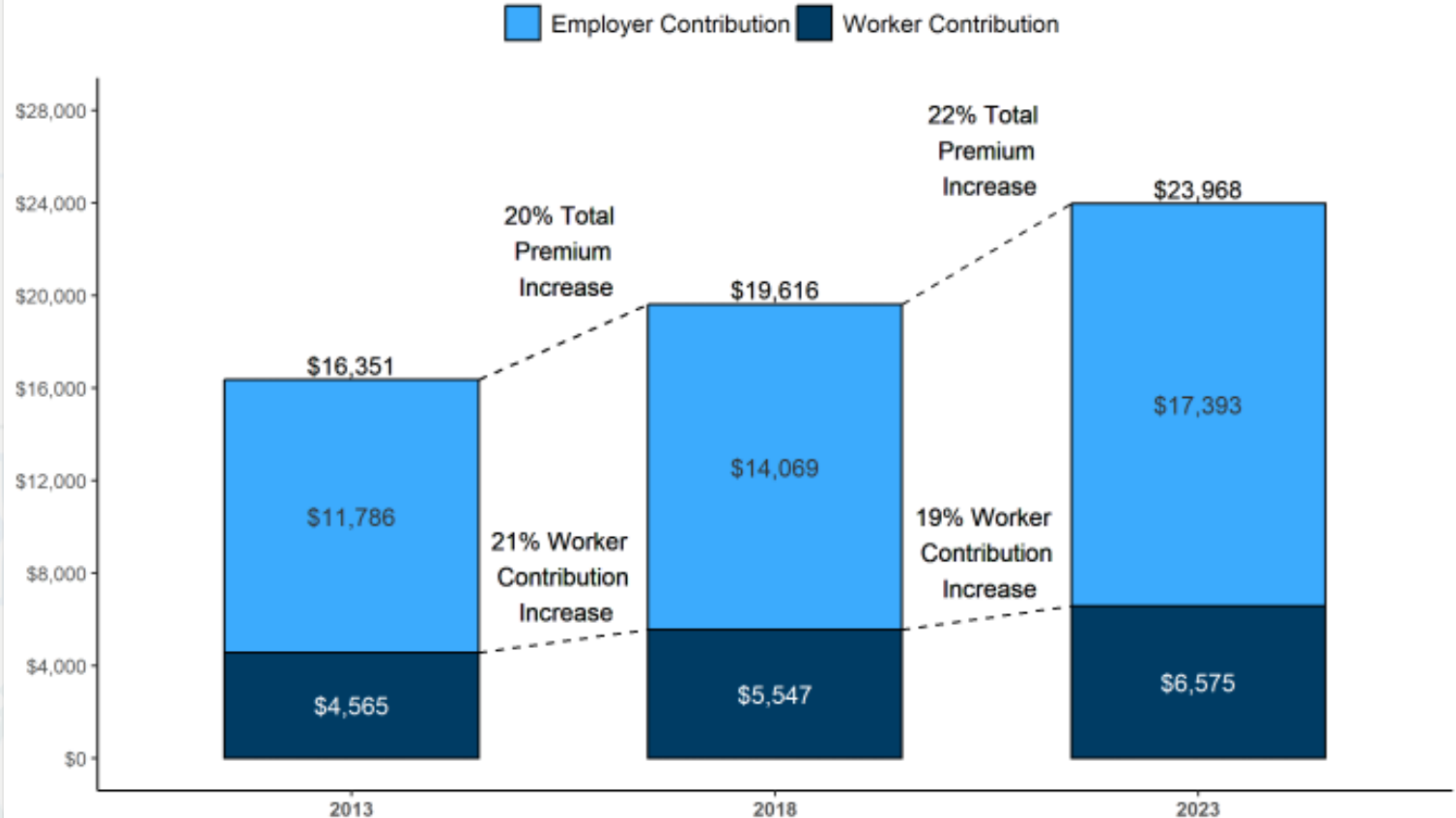
National Academy of Human Resources



The State of U.S. Healthcare

- The average annual premium for employer-sponsored health insurance in 2023 is \$8,435 for single coverage and \$23,968 for family coverage.
- Over the last ten years, the average premium for family coverage has increased by 47%; this increase has been largely consistent with increases passed along to workers at 44%.

Figure A
Average Annual Worker and Employer Premium Contributions for Family Coverage, 2013, 2018, and 2023



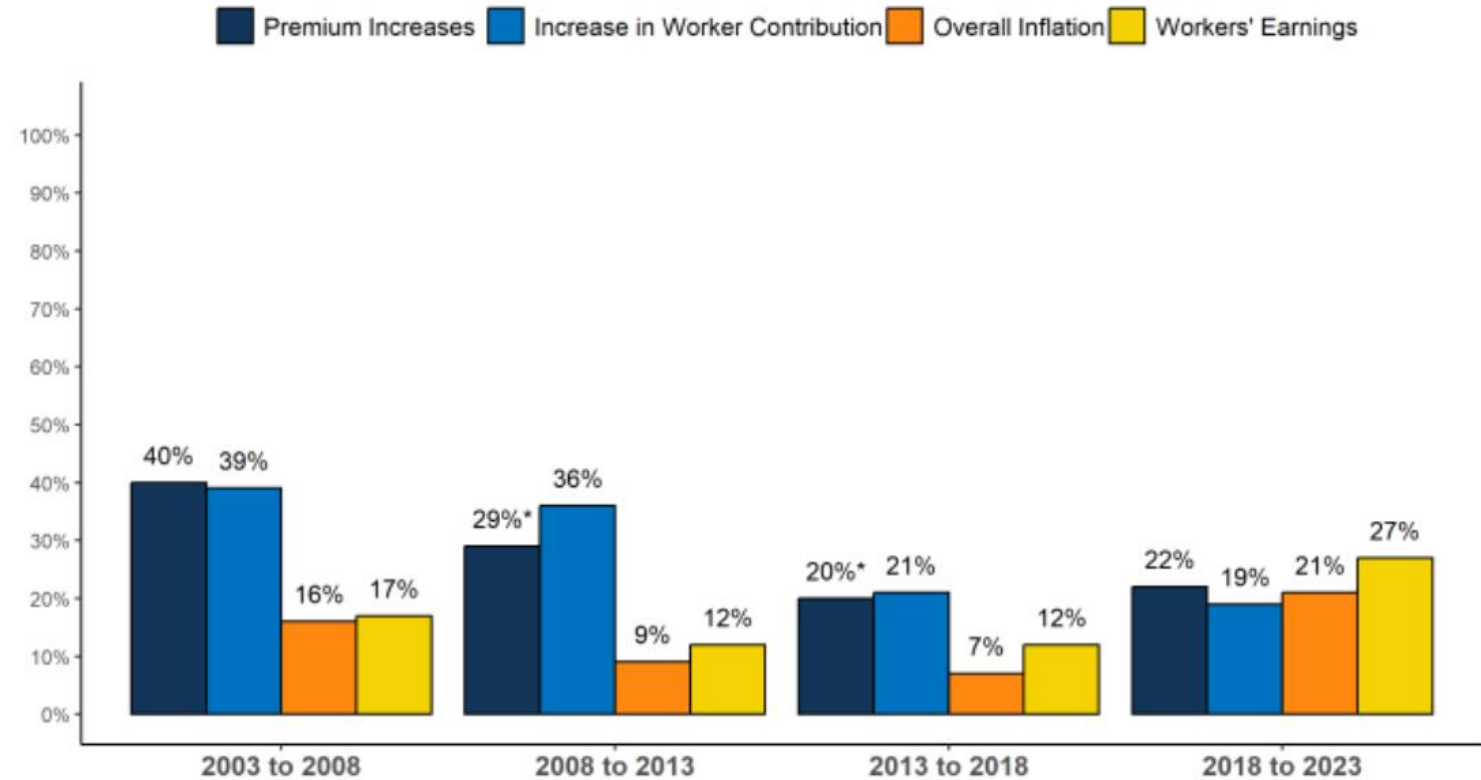
SOURCE: KFF Employer Health Benefits Survey, 2018 and 2023; Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 2013.



The State of U.S. Healthcare

- Premium increases have been well above inflation and workers' earnings from 2003 to 2018.
- Workers' earnings are above premium increases and inflation over the last 5-years...
- Will trend revert back when considering a forecasted 7% increase in healthcare costs in 2023?

Figure C
Cumulative Premium Increases, Inflation, and Earnings for Covered Workers with Family Coverage, 2003-2023



* Percentage change in family premium is statistically different from previous five year period shown ($p < .05$).

SOURCE: KFF Employer Health Benefits Survey, 2018-2023; Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 2003-2017. Bureau of Labor Statistics, Consumer Price Index, U.S. City Average of Annual Inflation, 2003-2023; Bureau of Labor Statistics, Seasonally Adjusted Data from the Current Employment Statistics Survey, 2003-2023.



The Drivers of Healthcare Costs in the U.S.

1

Specialty Drugs

In 2021, a median of 21% of healthcare dollars was spent on pharmacy, **which increased to 27% in 2023**...how will weight loss drugs impact this trend?

2

Delayed Care

About **four in ten U.S. adults** say they have **delayed or gone without medical care** in the last year due to cost reasons.

3

Cancer & Other Drivers

According to the Business Group on Health, "**Half of employers said cancer is the number one driver of healthcare costs.** Other top drivers include MSK, cardiovascular, & diabetes."

4

Access & Administration

Primary care access in the U.S. is difficult to obtain. This drives existing delayed care issues. In addition, self funded employers are paying administrators that do not strictly manage fraud/waste/abuse.



HEALTHCARE MYTHS

COMMON ORGANIZATIONAL BELIEFS UNDERMINE OUR ABILITY TO EFFECT CHANGE

Myth: *“Healthcare is an unmanageable expense”*

Truth: Healthcare can be managed similar to other business operating expenses

Myth: *“Reducing health benefits spend means hurting your employees”*

Truth: You can improve benefits while reducing cost; the *status quo* is what hurts employees

Myth: *“Changing the benefits is disruptive to my workforce”*

Truth: Unsustainable cost hikes are disruptive to your workforce

Myth: *“The “free market” will resolve our problems in healthcare”*

Truth: Self-insured employers can flatten/reduce costs

Myth: *“Healthcare is not something that differentiates your Employment Brand”*

Truth: How employers structure their plan designs can be an important component of the value proposition



HEALTHCARE MYTHS

What's the Reality?

- These myths **lead employers to waste tens of millions in profits/shareholder value**
- Sound health plan strategies stabilize costs and provide opportunities to **reinvest in your employees**...outside of healthcare
- HR executives who provide the right leadership in healthcare **create competitive advantages**
- Having **access to one's healthcare claims data** is step one on the journey
- Doing this alone is difficult (**vs. a group of employers**)
- There are a **number of levers** the HR team can consider when managing their healthcare costs and designs



Questions a CHRO Should Ask

1. How satisfied are you with the **healthcare data insights** you currently receive to identify and quantify savings opportunities?
2. How satisfied are you with **your company's third-party benefit broker/consultant(s)**?
3. Are you getting what you pay for and **are all of those dollars entirely transparent**?
4. What **conversations about healthcare** are you having with your **C-Suite and Board of Directors**?
5. How much time are you allocating to **healthcare strategies versus other areas, i.e., compensation**?
6. Have you **invested appropriately in a data analytics resource** to derive the best insights?
7. Have you considered how **affordability and the quality of care** can be dual objectives?



Linde Case Study



Actions

- Moved to a **transparent pass-through Pharmacy Benefits Manager – Navitus**
- **Changed Out-of-Network Coverage** – modified deductibles and coinsurance amounts
- Moved to **more transparent flexible medical plans – using third-party administrators**
- Moved all data to **Abett providing ability to own all data and run ad hoc queries**
- Auditing medical and Rx spend for fraud/waste/abuse – **Medliminal and SmartLight**
- Added **point solutions with incentives and penalties** – Access Hope and Grail for Cancer, IMC Health for musculoskeletal and 2nd. MD for second opinions
- Provided more affordable plans to employees – **Pay based out-of-pocket amounts and created OOP Relief Plan**

Results

“Our trend has been negative for the past 1.5 years and our CAGR over 10 years has been less than 3%.”



Prudential Case Study

Actions

- Leveraged the HTA **pharmacy benefit contract with most favorable pricing and, more importantly, the ability to unbundle the PBM services without adverse pricing implications**
- Inserted a proprietary, **independently structured “waste-free Rx formulary”**
- Introduced independent TPA vendor model vs the commercial medical paradigm; as a result - **WebTPA**
- **Took the checkbook away from the carrier** by ensuring all claims went to TPA before repricing by the carrier
- Launching a **Primary Care Solution** to improve access to healthcare for our employees

Results

Rx: in first year, we experienced a -10% trend vs +8% in market

Medical: in first year, we experienced a -5% trend vs market +6%

“Also, we are experiencing significantly higher utilization in custom therapeutic solutions which align to our goal such as Carrum (Centers of Excellence), Progeny (Maternity + NICU Care Mgt.) and Lyra (Mental Health).”



IP Case Study

Actions

- **Gained control of our data**, which enabled all the changes described below
- **Changed pharmacy benefit managers** for more transparent terms and better performance guarantees
- **Implemented fraud waste and abuse solutions** to provide independent payment integrity oversight
- **Aggressively changed contract structures** and used the prospect/process of an RFP to get best levels of cost from carriers
- Strategically disaggregated medical service delivery by **using a separate TPA** and provider network alongside an independent customer service/care management vendor
- **Implemented Lyra, a bolt-on behavioral health provider network** that allows our members to access providers within days as opposed to weeks

Results

- **Reduced overall cost for our members in 2024 of 2.7% for premiums** while keeping design consistent
- **Projecting cost-savings of 10%, or approximately \$45mm** vs. average market increase of 7%
- Costs per member per month are **lower in 2024 than they were in 2019.**



Health Transformation Alliance

Created by and for Large Employers



accenture



Weyerhaeuser



Foot Locker

CATERPILLAR®



OhioHealth



INTERNATIONAL PAPER



Prudential

Nonprofit Co-op
Founded in 2016

66 Member
Owners

\$30b in
Spend

6.4m
Covered
Lives

\$778m in Member
savings

DATA & ANALYTICS



PHARMACY



MEDICAL

HTA was created by CHROs for large, self-funded employers to leverage aggregated data to identify specific healthcare problems, to use HTA personnel's expertise to develop creative solutions, and to use the collective scale of the co-operative to ensure best-in-market pricing.

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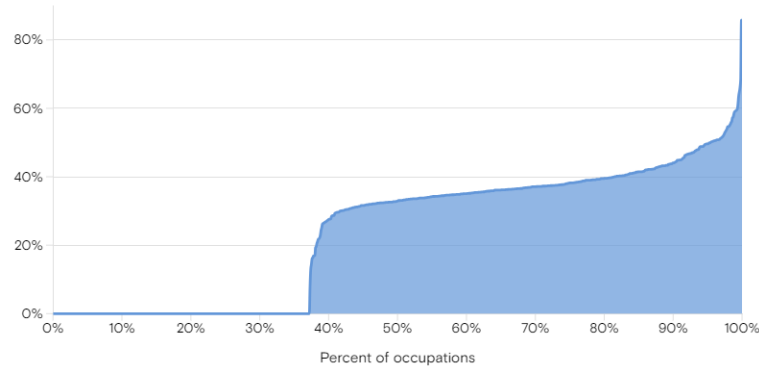


How Artificial Intelligence is Shaping the Future of HR

AI is expected to significantly disrupt the global workforce

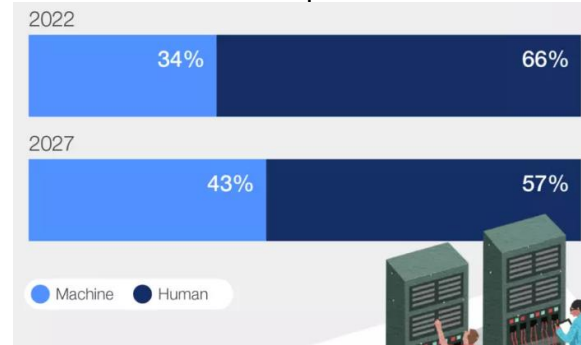
The disruption will create opportunities for HR to both **harness new AI capabilities** and to **lead the enterprise through large-scale workforce transformation**

Goldman Sachs: Two thirds of occupations could be partially automated by AI:



Source: Goldman Sachs Research – April 2023

World Economic Forum: 44% of workers' core skills are expected to change in the next five years and machines are expected to increase task completion vs humans:



Source: World Economic Forum, Future of Jobs Report 2023 – April 2023

MIT Sloan School of Management:

40% Generative AI can improve a highly skilled worker's performance by as much as 40% compared with workers who don't use it.

14% Workers with less experience gain the most from Generative AI. Contact center agents with access to an AI assistant were 14% more productive, with low-skilled workers improving the most.

Source: MIT Sloan Ideas Made to Matter – June and October 2023

Open AI, OpenResearch, University of Pennsylvania:

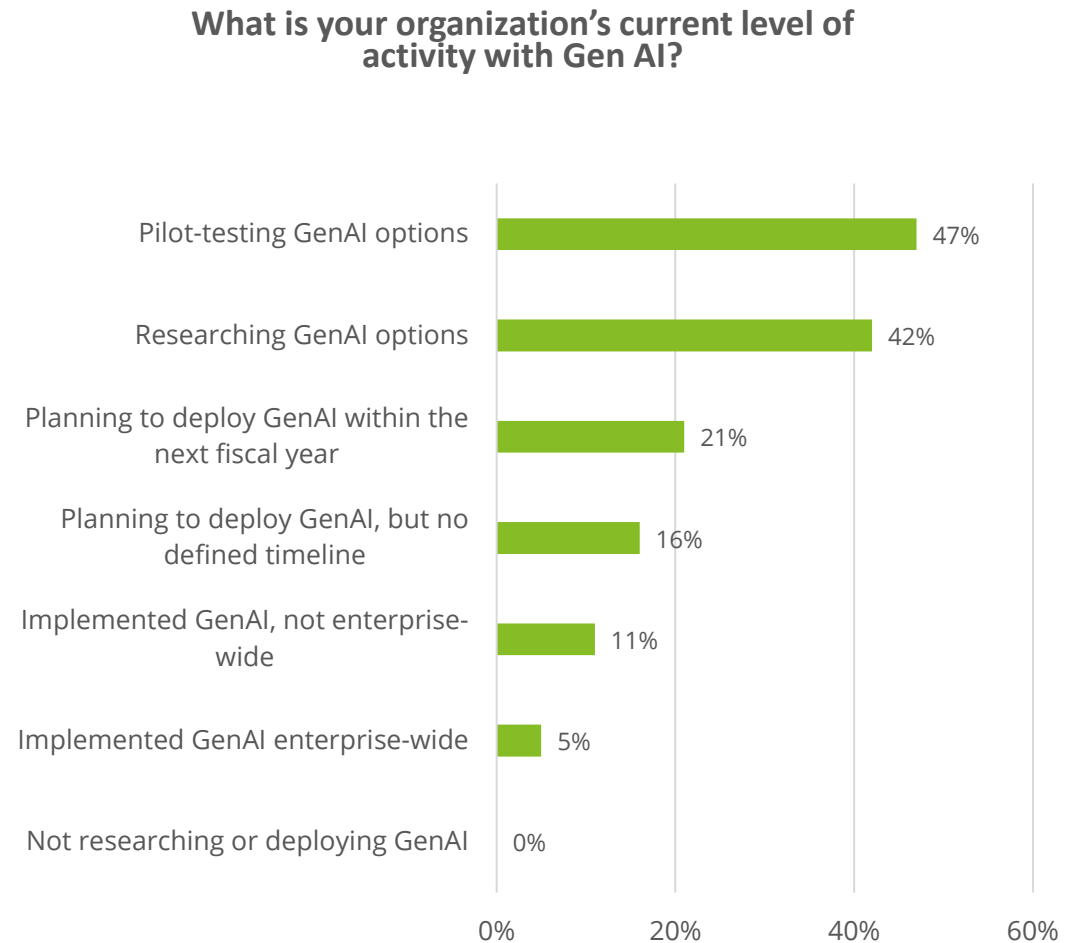
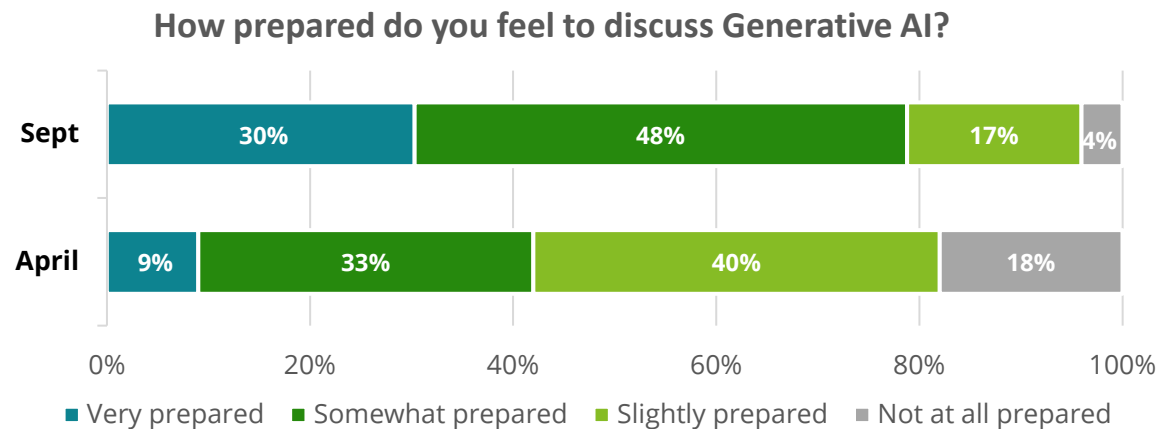
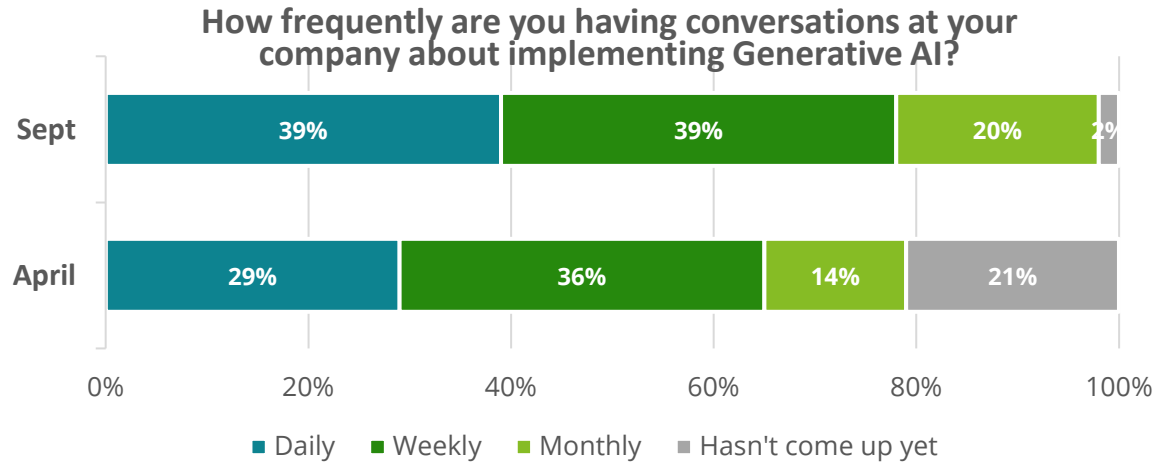
80% 80% of the US workforce could have at least 10% of their work tasks affected by the introduction of GPTs.

19% Approximately 19% of workers may see at least 50% of their tasks impacted by the introduction of GPTs.

Source: GPTs are GPTs: An Early Look at the Labor Market Impact Potential of Large Language Models – August 2023

Organizations are moving quickly to adopt Gen AI

Deloitte hosted our 2nd Generative AI Executive Forum in September 2023, and it is clear **organizations are rapidly mobilizing to adopt** breakthrough technology in 2024+



But there are challenges for HR on the horizon

If not careful, **HR could get left behind** as AI becomes a part of everything we do; or we can use this moment to **elevate the profession and drive how value is created** through increased human + machine collaboration



53%

Of organizations identify **lack of AI fluency and knowledge among the workforce** as a hinderance to realizing Gen AI's full potential – the #2 overall reason behind concerns with data privacy, security, and misuse¹



5%

Of organizations are focused on **investing in Gen AI use cases for HR** – the lowest ranked of all functions included in the survey¹



139%

Decrease in employer trust when workers are presented with AI-specific tools compared to other new tools²

Opportunities for AI in HR

HR will need to learn to bring together a **combination of different AI solutions** to improve capabilities, create measurable business outcomes, and deliver digital experiences expected from the modern workforce



Automate Operational Tasks and E2E Processes



Engage with HR Customers for Frontline Support



Deliver Meaningful Insights and Identify Opportunities



Generate Work Output Using Deep Learning Models

Capacity Creation

24/7 Support for End Users

Behavioral Nudging

Augmented Professionals

Flexibility + Scalability

Frictionless Self-Service

Embedded Decision Intelligence

Scaled Expertise

New Competencies

Consistent + Reliable Responses

Process Bionics and Data Mining

Improved Well-Being

Intelligent Automation

Conversational AI

Cognitive Analytics

Generative AI

Large Language Models (LLMs)

Primary Strategic Focus

Efficiency and Cost Optimization

Productivity and Experience

Value Creation and Insights

Elevated Human Experience

Early Adopter Gen AI Case Studies

HR teams are deploying Gen AI in different ways based on the **prioritized business outcomes** they are trying to achieve aligned to the overall business strategy



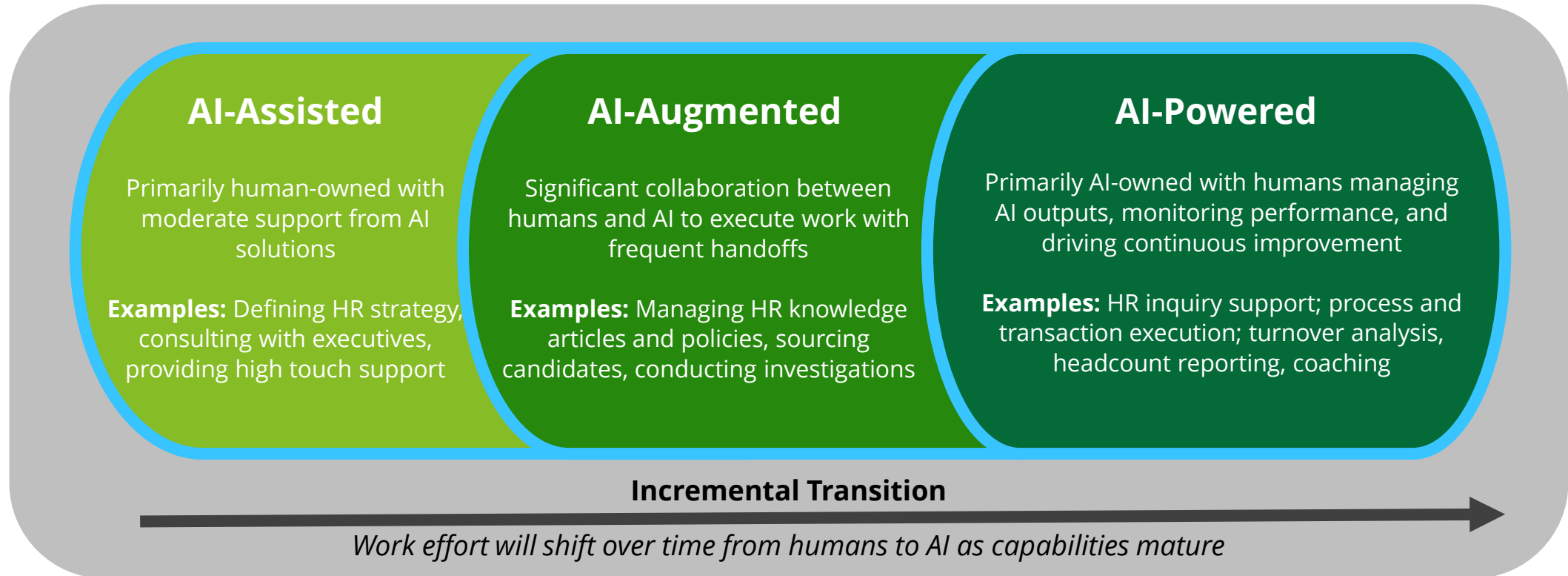
Operational Efficiency and Customer Service	Access to On-Demand Insights	People Manager Effectiveness
<p>Co-pilot to support the Payroll and Benefits Contact Center with the goal of improving agent productivity, reducing operational costs, and increasing the speed and quality of service delivery by automatically and synchronously researching the knowledge base</p>	<p>GenAI deployed on top of their HR Data Warehouse (HRDW) to create a more intuitive way for business users (non-technical) to query the database and access insights based on analyses of internal and external data (e.g., time to fill for a Product Manager in Mexico City?)</p>	<p>People Manager assistant developed to provide real-time consultative support during key moments in the talent lifecycle, including coaching, providing feedback, and developing data-driven and effective performance reviews</p>



Augmented Talent Acquisition Process	Enhanced Digital Experience for the Workforce	Goals-Setting and Strategy Alignment
<p>Identified and prioritized multiple Talent Acquisition use cases to deploy GenAI to augment and accelerate the process, including job description creation, grading and leveling, candidate sourcing, screening, and interview synthesis and evaluation</p>	<p>GenAI-enabled Digital Assistant product with the goal of providing an embedded and frictionless workforce experience when accessing HR support and driving continuous improvement based on customer interactions, workforce listening, and data mining</p>	<p>Goal-setting assistant to help employees craft effective SMART goals aligned to organizational strategy, core values, and role expectations by ingesting the job description library and other corporate artifacts</p>

The Future of HR

HR roles and responsibilities will fall into **different levels of AI involvement**, with work effort incrementally shifting toward more AI-powered approaches over time



Leading the Enterprise

Progressive HR teams are starting to **focus on new and enhanced capabilities** required to support the enterprise through the early stages of AI and Gen AI transformation



Drive AI Fluency & Adoption

- Reskill the workforce, build AI capabilities (fluency + proficiency), and rethink career paths
- Help the organization embrace new technology and agile ways of working



Become an AI First Organization

- Shift mindset to AI as a primary value driver across the enterprise
- Scale AI solutions to reimagine the role of humans in the workforce
- Establish the governance structures and repeatable processes to enable success



Prioritizing Use Cases for Value Creation

- Clearly define objectives to prioritize use cases and build a holistic AI roadmap with human-impacts at the center
- Incorporate workforce considerations into use case evaluations to align AI deployment with talent strategies



Build Culture of Engagement & Trust

- Deploy AI with trust, ethics, data privacy, and security at the forefront
- Apply frameworks to consistently, effectively and responsibly design, build, deploy, and manage AI solutions

Discussion: What do you think?

1. Where do you see opportunities for HR to take advantage of AI capabilities?
2. What does the future of the HR function look like with AI deployed at scale?
3. How can HR lead the enterprise through disruption and the workforce transformation driven by AI?

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How is HR using AI and automation technologies to raise its game

LinkedIn Live panel discussion



Smarter, faster, personalized: Crafting the future of HR with AI

Human Resource Executive webinar



Digital Doppelgangers: A new way humans and machines can partner and transform work

Deloitte future of work insights



The impact of AI on Future Workforce Strategies

Spiceworks article on tech news



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