FT HR FORUM IN PARTNERSHIP WITH HEADSPRING
AI AND HR: THE ROLE OF HUMANS IN AN AUTOMATED WORKPLACE

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PANEL

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Opinions differ on the likely effect of AI on society. Is it a force for good or ill? Will an army of robots force people out of work, leaving them destitute? Or will AI-driven automation free people to focus on what they do best and like most? No one can give answers with certainty but there is no doubt that AI will be increasingly prominent in the lives of HR officers.

To examine the implications of AI on recruitment, retention and other issues, the FT HR Forum, in partnership with Headspring, the FT’s executive education arm, brought together experts in HR business practice and policy: Gary Kildare, chief HR officer of IBM in Europe, and Anna Thomas, co-founder and director of the Institute for the Future of Work.

Here are some of the key points from the session.

**WHY THE ‘A’ IN AI STANDS FOR ‘AUGMENTED’ NOT ‘ARTIFICIAL’**

AI is the abbreviation for “artificial intelligence” but it is sometimes referred to “augmented intelligence”, which creates an image of humans and machines working together not against each other. The ideal outcome is that AI supports people in their jobs and provides them with data-driven insights to enable better business decisions.

**RECRUITMENT AND RETENTION: HOW AI WILL CHANGE HIRING AND FIRING**

AI is in its infancy but it has had a pervasive effect on business, particularly in HR. IBM uses AI to recruit people, welcome new staff, highlight future leaders and prevent star employees from being poached by rivals. AI technology already helps its HR officers to:

- Sift through more than 1m applications a year
- Welcome new recruits: a bot answers joiners’ common questions
- Select the leaders of tomorrow with an analysis of candidates and their probable performance. This process is still in development but has a 92%-95% success rate
- Monitor the pay of the best employees and ensure that the company offers market-level packages or better: fewer good people defect to rivals.

**AI COULD SPELL THE END OF THE THREE DS OF WORK: DULL, DIRTY AND DANGEROUS**

At one of Britain’s major retailers, executives are optimistic about the positive effect of AI. They talk of how it will eradicate the three Ds: dull, dirty and dangerous jobs. The work will still take place, of course, but humans will not do it. Instead, they will be released to focus on what they do best:

- Using their IQ for creative tasks, making decisions and exercising judgment
- Using their social intelligence to interact with customers, colleagues and other stakeholders

**HEADS UP NOT HEADS DOWN: A PHRASE FOR THE AI ERA**

When the digital revolution swept through the offices of media companies, editors liked to talk about how consumers would digest the news. If reading a newspaper, they would “lean back” and leisurely peruse the pages. By contrast, those reading the online version on a computer would “lean forward” and hunt for information important to them. Now, a new phrase is emerging in boardrooms. No longer do employees have to be tied to their computers with their “heads down” all day. Instead, they can have their “heads up”, talk to colleagues, speak to customers and do everything that humans are good at doing.

**DON’T JUST SIT THERE, LEARN SOMETHING NEW!**

AI frees people from mundane activities but it also presents them with a challenge – learn something new or risk being left behind.

The speed of technological advancement means that the half-life of skills are no more than four to five years. As a result, every individual should be responsible for learning new skills if they want to stay in the job market. Equally, companies should offer training to help staff update their skills. Of course, some bosses may not wish to invest in such courses (especially if newly skilled employees simply leave to take posts elsewhere) but the companies that attract the best people will be those that offer their employees the chance to learn – and grow.
THE DEVIL IS IN THE ALGORITHM: TREAT AI WITH CAUTION

Some HR departments enthuse over AI and recognise that the world is changing but several academics have sounded an alarm bell. They say many of the algorithms used to derive the data-driven insights that are applied to the hire and fire process could be an issue. Above all, algorithmic systems are only as good as the data fed into them, and biased data will probably result in biased insights.

During the forum, the work of Sir David Speigelhalter, a professor of mathematics and statistics at Cambridge university, was discussed. In a recent talk, he flagged that too many people were using AI systems wrongly. He cited Northpointe (now Equivant), a US company that came up with an AI-driven system called Compas to predict the rate of convict reoffending. This was challenged in court but Northpointe withheld details of its algorithm as being commercially confidential. Some statisticians tried to reverse-engineer the algorithm and concluded that Northpointe’s insights depended on what was inputted. The lesson that Prof Speigelhalter drew was this: people must take care how they deploy algorithmic judgments.

The work of another academic, Stuart Russell, professor of computer science at the University of California, Berkeley, was discussed too. He has talked about the importance of “provably beneficial” AI. Companies must commit to be increasingly transparent about the algorithms used to make decisions about people’s futures.