



AI in HR

5 use cases you should know

Daily decisions made easier, smarter and more human



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AI has the power to empower HR

Artificial intelligence (AI) can help optimize your workday by expediting the completion of HR duties and enabling your employees to complete tasks more efficiently. In this guide, we explore five potential use cases for AI in HR and provide considerations for responsible usage and vendor selection. Whether you want to decrease payroll inaccuracy, enable compliance with laws and regulations, automate routine work to focus on more impactful work, save time on people analytics or better understand your workforce, AI can help.



AI

Use case 1

Enabling compliance

AI can help enable compliance with applicable laws and regulations. Take taxes, for example. Not providing or not accurately reporting tax IDs may result in delays in processing tax returns or refunds, as well as penalties, fines and other legal concerns.



AI can notify you of tax jurisdiction issues using an alert such as:

- i** There are 3 missing tax IDs for jurisdictions your company has set up.

You can then add these IDs or have the AI help you apply for them as you interact with a chat assistant to resolve the issue.



Use case 2

Helping employees complete tasks

AI can save you time by helping your employees complete tasks quickly and independently.

For example, an employee can request time-off balances and receive a response such as:

Your current time-off balance looks like this:

Request type	Available
Float	2:00 hours
Overflow	0:00 hours
Vacation	34:19 hours
Volunteer Services	8:00 hours

Some solutions even let your team members receive task notifications on their mobile and desktop devices, empowering them to act before an event, such as benefits enrollment. You can also set up reminders for employee timesheets and pay cards and create automatic personalized nudges based on their roles and skills, helping them complete work in advance. All the while, AI is making it more straightforward for employees to obtain work-related information and complete tasks efficiently.

The screenshot shows a chat interface with a white background and rounded corners. At the top left is a small red 'ADP' logo. The first message is a white bubble with a red 'ADP' icon, containing the text: "I'm learning to answer questions related to HR. I can help you with time off requests. How can I help you today?". Below this is a blue button labeled "Time off balances". The second message is a white bubble with a red 'ADP' icon, containing the text: "Your current time off balance looks like this:". Below this is a table with a white background and a thin border, containing the same data as the table in the previous block. At the bottom of the chat is a white input field with the placeholder text "Type or say something..." and a blue send button with a white arrow.

Request type	Available
Float	2:00 Hours
Overflow	0:00 Hours
Vacation	34:19 Hours
Volunteer Services	8:00 Hours

AI can also help your employees fulfill requests such as:

- May I have a summary of my latest pay statement?
- When is the next payday?
- Will you turn on pay notifications for me?
- May I have a copy of a Form W-2?
- What is the company dress code?
- I need my coworker Jane Doe's contact information.

Using AI to address these requests can reduce interruptions and create space for other work, increasing productivity.

Use case 3

Supporting payroll accuracy

Generative AI can help increase payroll accuracy by validating payroll data and checking for common payroll issues. It can help identify missed punches and unapproved timecards, save time, reduce HR issues and help you pay your people accurately and on time. You can think of this technology as a 24/7 payroll assistant at your disposal. It informs you of potential payroll inaccuracies, missing items and other variables to help you act quickly and strategically. It says, figuratively, "Hi, you may have overlooked this issue. Let's work together to address it."

The screenshot displays a payroll management interface with three payroll entries and a right-hand sidebar with alerts. The entries are:

Pay Date / Period	Total Gross Pay	Total Hours	People	Number of Pays
04/11/2024 04/02 - 04/08	\$2,000.00	40.00	1	1
04/12/2024 04/04 - 04/10	\$10,440.00	92.00	3	3

The right sidebar contains the following alerts:

- 1 time edit pending approval
- 2 missing time entries
- There is a missing tax ID for Legal Entity 2 AZ SIT.
- Ask a question

Below the alerts, there are sections for 'Things to Do' (10 items across all pay groups, 10 Critical) and 'Pay Anytime' (Add a payment for one person).

If the generative AI identifies payroll inaccuracies, you may receive notifications such as:

- 1 time edit pending approval
- 2 missing time entries

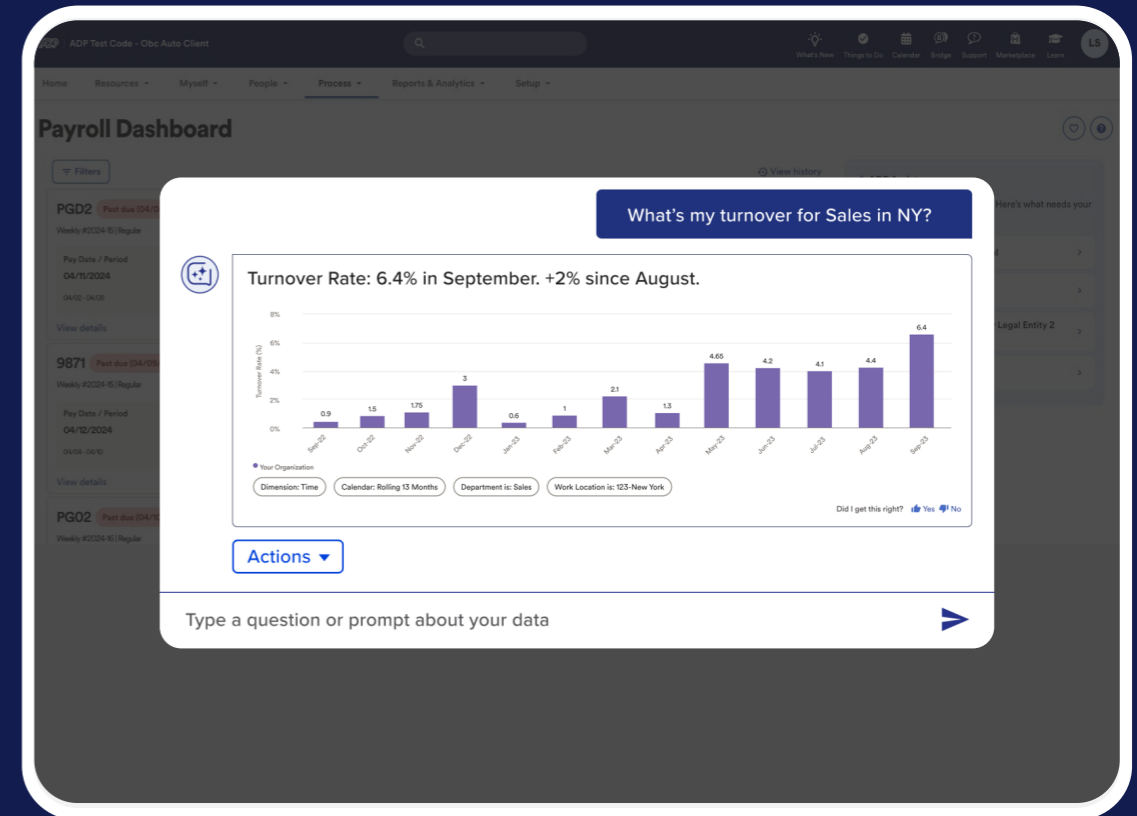
You could then opt to resolve these issues immediately or address them at a later time.



Use case 4

Requesting analytics and reports

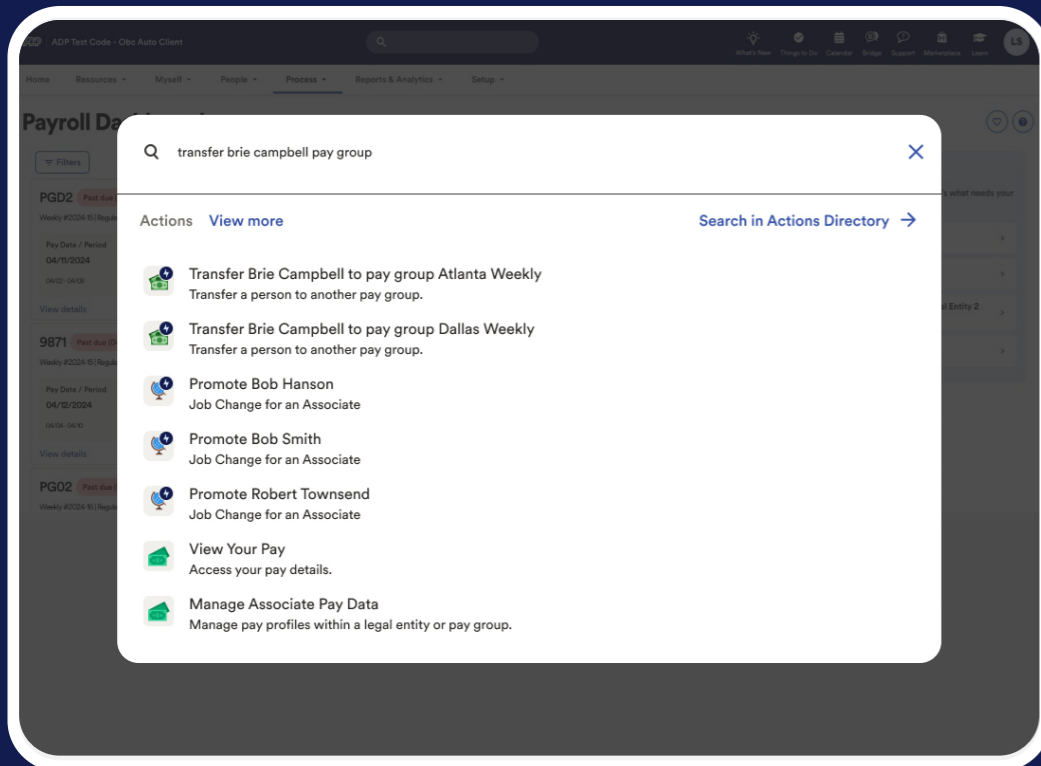
Generative AI can deliver people analytics in an easy-to-understand format. You can enter a prompt and receive a breakdown of metrics such as head count and turnover. Take turnover, for example. You could ask “What’s my turnover for sales in New York?” and receive a summary of annual and monthly turnover rates. You could then interact with the generative AI to learn more about that data before sharing it with others at your organization. Other questions that could be answered include “Is overtime increasing organizationally, in a particular department or both?” and “What is my year-to-date head count by department?”



Use case 5

Improving search functionality

In search engines, AI can use your keywords to recommend actions to take. When you enter keywords, your intent gets mapped to activities within the system powering the search engine. These are delivered to you as dropdown search results. You can use them as a quick and easy way to promote or transfer employees or view pay data, for example. Think of these as personalized smart actions that, when selected, take you to the place in the system where work gets done.



Beyond use cases

Applying human oversight to generative AI

Generative AI solutions should be designed so that critical decisions stay with you. Consider the payroll accuracy use case from earlier, where you can choose to correct or ignore potential inaccuracies, giving you the authority to make the call. This level of human oversight is essential, as generative AI is an inanimate, human-dependent tool. It is a process enhancer and streamliner, helping you save time, energy and brainpower by optimizing your everyday workflows. It isn't foolproof, and it isn't a replacement for human reasoning and decision making.

Every generative AI interaction should be combined with critical thinking. Not all generative AI outputs are accurate or inclusive, and you may need to provide additional details and context to help the technology deliver the outputs you want. For example, the prompt "What is the minimum wage for California?" could be interpreted as "What is California's statewide minimum wage?" or "What is the minimum wage for employees at our California facility?" This prompt's ambiguity may result in an undesirable output, so ensure your prompts are as clear as possible.

Get into the habit of viewing every generative AI interaction as net new. This mindset can help you be detailed in your prompts, increasing the chance of desirable outputs.



When prompting generative AI, ask yourself:

- Have I included the details and context necessary to elicit an accurate response?
- Is my prompt clear and concise?
- Have I carefully considered how I'm phrasing my prompt?

Consider revising your prompt if you answered "no" to one or more of these questions.

When reviewing generative AI outputs, ask yourself:

- Does this output fulfill or satisfy my prompt?
- Does this output reflect the details and context I included in my prompt?
- Is this output accurate, irrespective of any details and context I provided?

If you answered "no" to one or more of these questions, consider revising and resubmitting your prompt. If needed, resolve any inaccuracies with the appropriate expert sources or trusted resources.

Other questions to consider when using generative AI:

- Should I fact-check this output with an expert source or resource?
- Is the answer consistent with my organization's policies?
- Does this output use language that aligns with my organization's values?
- What final revisions, if any, will I and other third parties apply to the output?

The importance of responsible AI

AI can inadvertently perpetuate bias, partly due to the data it's trained on. Be mindful of this risk as you create prompts, review outputs, develop AI governance and partner with solutions providers. Work with providers that prioritize bias mitigation and address any instances as they are identified. Additionally, ensure your provider incorporates diverse perspectives when developing AI products and services, as this can help mitigate bias as it happens. Ensure you also have a plan for responding to biases internally as they are identified. Work with experts in compliance, communications and diversity, equity and inclusion (DE&I) to create a workforce response strategy that, if activated, would help maintain positive working relations.

You should also consider creating an AI ethics policy that aligns with your organization's values and determining your response to AI's workforce impact. One way to help manage job security and professional growth is to invest in upskilling, reskilling and new positions or duties that utilize mostly human skills and abilities. Doing so may empower your workforce to take on new challenges and opportunities not wholly addressable by AI. This approach may also help foster a positive and innovative workplace culture, benefiting all stakeholders.

Consider partnering with an experienced vendor that takes AI seriously and is transparent about its application and risks.

Considerations for identifying a responsible AI vendor:

- Maintains an active and involved AI ethics board staffed with diverse expertise
- Regularly tests and monitors AI for bias
- Complies with AI-related legal requirements and ethical standards
- Partners with independent third parties, when appropriate, to validate its conclusions
- Supports upskilling and reskilling for workers
- Commits to including diverse groups in AI product development

The letters "AI" are centered within a white square frame. This frame is surrounded by a complex network of white lines and dots, resembling a circuit board or a neural network diagram, all set against a dark blue background.

The importance of data

AI can help you act on workforce data by converting it into easy-to-understand insights. Consider the turnover example from earlier, where generative AI analyzed the data and delivered a helpful insight to the practitioner. While these insights are invaluable, you should always view them in the appropriate context. You can benchmark them against organizations like yours to avoid unnecessary — and sometimes costly — changes that deviate from norms in your industry.

You don't want to make decisions based on an incomplete view of the data. For example, you likely don't

have a turnover crisis if your turnover rate equals or slightly exceeds the average for organizations like yours. AI and benchmarking can help you better understand this external perspective so you can make well-informed decisions. Even better, you can partner with a vendor that builds benchmarking and AI into its solutions.

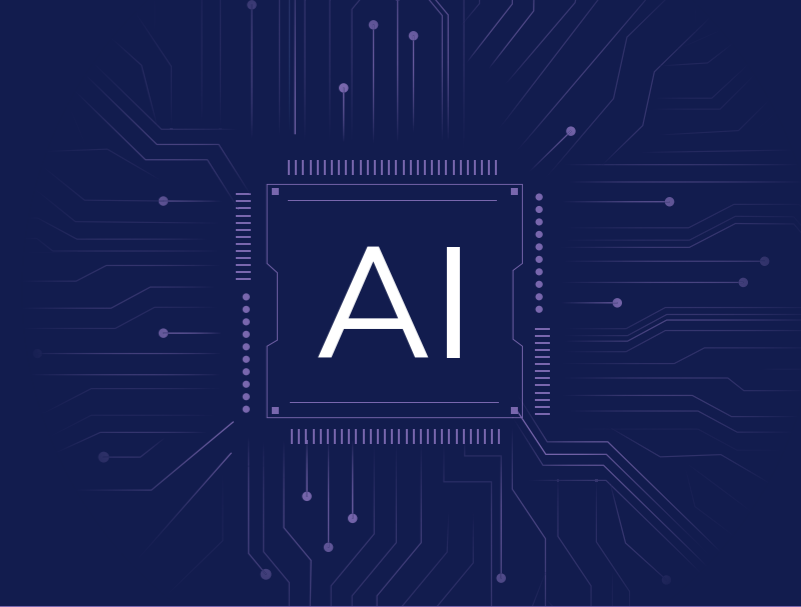
Your vendor's breadth of data matters, too. The larger the vendor's workforce dataset, the more information you can use to make informed workforce decisions and the more information the vendor can use to solve problems that impact you.



Easy, smart, human decisions, enhanced by ADP Assist

ADP Assist is more than an AI tool for HR. Backed by data from 1 million clients and 41 million wage earners, ADP Assist provides a competitive technological edge that helps you manage, simplify and address complex work. Using generative AI and other AI technology, ADP Assist can save you time and increase efficiency and productivity by enabling smooth and informed decision making, delivering the right information powered by the right data at the right time.

With ADP, you'll also have access to ADP Marketplace, the world's largest digital HR storefront, now offering AI-enabled solutions. Clients can now have greater ease and confidence in identifying and selecting AI-enabled solutions, thanks to ADP Marketplace's responsible AI principles, to which its AI partners must commit. ADP Marketplace also uses machine learning (ML) to surface the best applications for clients' critical HR needs. Altogether, these capabilities are part of an ADP initiative to bring the power of AI to leaders and their people.



When you choose ADP, you're not only choosing innovation and experience. You're choosing a partner committed to making AI-enabled decisions easy, smart and, most importantly, human.

 Explore **ADP's AI solutions**



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