AI: A Tool for Growing Your Business or Shrinking Head Count?

Leaders at The Standard recently got together to discuss how HR and IT can intersect to help organizations succeed at AI adoption. This discussion took place with **Susan Bruechner, executive vice president of Human Resources**, and **Porter Orr, assistant vice president of Artificial Intelligence and Automation**.

Stories on AI in the workplace often focus on loss of talent. But with successful setup, AI adoption could enhance what employees do for customers without causing a brain drain inside an organization.

Becoming More Than You Were

Adopting AI has gone far beyond leveraging narrow models for rote tasks. With tools like natural language processing and autonomous systems, companies are extending their business models. In an interview on the topic, Susan Bruechner, executive vice president of Human Resources at The Standard, said, “From an HR perspective, I’m seeing a lot of curiosity as well as an acknowledgement of the cultural shift happening within organizations. Being able to clearly articulate your purpose and values is critical to incorporating AI in a way that lets you deliver on your promise to your customers.”

Beyond delivering on a current promise, weaving AI into what you offer will allow your organization to serve customers in new ways. Introducing AI will prompt teams to imagine novel approaches to doing business that lead to different strategic models.

For benefits providers, improvements will come at a more tactical level initially. One example is the technology’s potential to keep a carrier’s representative more informed about a quote. That capability allows the representative to get back to a broker more quickly. Receiving a faster response leads the broker to do more business with that carrier, who in turn sells more and can offer a better risk-based price.

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Another exciting aspect of AI is the potential to help carriers better support employee customers. If AI boosts the speed at which a benefits provider answers claimant questions, what happens to the time a claims representative saves? More time might free them to focus on conveying greater empathy toward the employee customer in a serious time of need.

Porter Orr, assistant vice president of Artificial Intelligence and Automation at The Standard, was also interviewed on AI adoption. He said, “I think at first, changes will start with efficiencies. But I personally believe the bigger impact to value will be on the top line. It might present as incremental revenue or maybe different business models that extend what you used to be able to do in new and different ways to create and capture value that empowers you to become more than you were before.”

Leveraging Talent Across Age Groups

Successful AI deployment requires that both HR and IT factor in the effects on talent across generations. Many news reports suggest that fewer jobs will be available for younger workers in specific fields. Bruechner suggested reports about the decimation of entry-level roles are likely premature. “Having a firm grasp on how AI will change the employment landscape for newer members of the workforce requires more data,” she said.

The need for learning and then deploying AI skills is agnostic across age groups. But companies will want to look at their workforce to identify any trends related to tenure. They might find younger team members bring valued skills, such as comfort using AI in their roles.

“You may determine that older workers — some of whom may be less confident using AI — bring critical knowledge of your industry and practices,” Bruechner added. “If your company culture stresses the importance of varied perspectives, you’ll keep hiring across demographics, including age.”

Gen X: The Serial Upskillers

Generation X employees stand out in this latest workplace transformation. Younger than baby boomers and older than millennials, members of this age group are serial upskillers. Throughout the course of their careers, these workers have had to adapt to fast-moving technology. They lived through the shift from paper memos to email, dial-up to Wi-Fi, and disks to shared drives.

Not only is Gen X still in the workforce, this cohort continues to deliver on years of expertise. Younger Gen Xers have 20-plus years left in their work lives. Weaving AI into their work likely serves as another learning opportunity.

Avoiding a Brain Drain

It’s not surprising that the cost-saving potential of AI leads some to see it as a tool to reduce head count. But that thinking could put a firm at risk for a brain drain. Orr maintains it would be a mistake to use AI to avoid hiring entry-level workers or create conditions that push more seasoned employees to leave sooner.

“Losing veteran workers may precipitate a knowledge exodus from the company,” Orr said. “The people with experience, who know the intricacies of your operations, are the people who have probably been with you the longest. Building the expertise of longer-tenured employees into your AI is the smart way to go. Doing so helps businesses avoid bias in employment decisions.”

Who's Going to Run the Business?

Companies who use AI only to reduce hiring for short-term savings could pay a higher cost in the years to come. Organizations must plan for the coming decades.

"Despite everything AI can do, organizations still need younger people to come into the business and learn," Orr said. "They may not know how things were done before. But they might absorb information in a novel way or master a new operational process. Novice workers are critical for picking up key expertise and carrying it into the future. If we don't hire new people, then who will run the business in 25 years?"

A Strategy Rooted in Culture

Succeeding at AI adoption means the dog must wag the tail. Defining a strategy based in culture can create opportunities to extend an organization's business model and leverage a range of employee expertise.

Cost savings or the excitement of adopting new technologies shouldn't be the main engine of an AI strategy. Rather, a company's culture and values, including collaboration and dialogue, should drive thinking on AI.

"We're not looking to replace the empathy and expertise that make up the foundation of our culture. We want to maintain and strengthen the compassion and experience our employees bring to customers," Bruechner pointed out. "AI can certainly augment expertise, but it's unlikely to supplant human empathy."

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