2024 Talent Trends

Artificial Intelligence in HR

Methodology

The survey was fielded to a sample of HR professionals via SHRM's Voice of Work Research Panel from January 10 – January 19, 2024.

In total, **2,366** HR professionals participated in the survey. Respondents represented organizations of all sizes in a wide variety of industries across the United States.

Key Findings

- **3 in 4** HR professionals agree that advancements in AI will increase the importance of human intelligence in the workplace over the next five years.

- Among the **1 in 4** organizations that use AI to support HR-related activities, **nearly 2 in 3** only began using it for this purpose within the past year.

- **Nearly 1 in 4** HR professionals are concerned that AI will lead to job displacement at their organization. Yet, in practice, HR professionals who work at organizations that use AI are **16 times more likely** to say that AI is transforming existing jobs **(32%)** rather than displacing jobs **(2%)** at their company.

- The top three areas where organizations are using AI to support HR-related activities include recruitment, interviewing, and hiring **(64%)**, learning and development **(43%)**, and performance management **(25%)**.

- Among organizations using AI to support recruiting, interviewing, or hiring, **nearly 2 in 3** use AI to help generate their job descriptions.

- Among organizations that use AI to support recruiting, interviewing, or hiring, **nearly 9 in 10** use AI to save time or increase their efficiency, allowing HR to prioritize tasks that uniquely require human intelligence.

- Among organizations that use AI to support learning and development, **nearly half** use AI to create personalized L&D opportunities for employees.

- AI for DEI? Among HR professionals working for organizations that use AI to support recruiting, interviewing, or hiring, **nearly 1 in 3** say the diversity of their organization's hires is somewhat **(29%)** or much better **(3%)** due to their use of AI**.** What's more, **1 in 10** say AI has allowed them to access underrepresented pools of talent they weren't previously reaching.

- Among organizations using AI to support HR-related activities, **2 in 5** have concerns about the security and privacy of data used by AI tools**.**

- A lack of knowledge about what AI tools would best fit their needs **(42%)** is the top reason why organizations haven't started using AI to support HR-related activities, followed by a lack of resources to properly audit or correct AI algorithms **(41%)** and concerns that AI lacks the "human touch" **(40%)**.

1 in 4 (26%) organizations use AI to support HR-related activities.

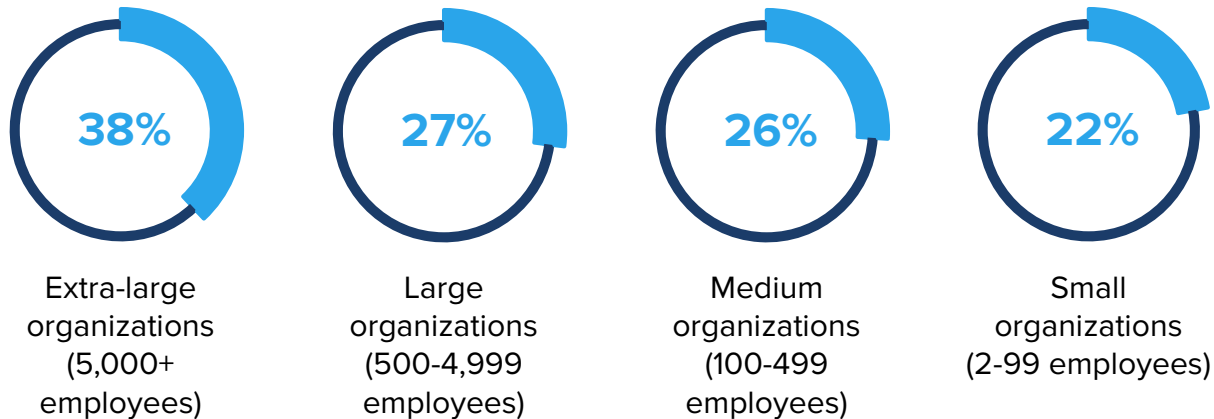**However, for many, AI in HR is still in its infancy.**

Nearly 2 in 3 organizations only began using AI to support HR-related activities within the past year.

62%	26%	7%		

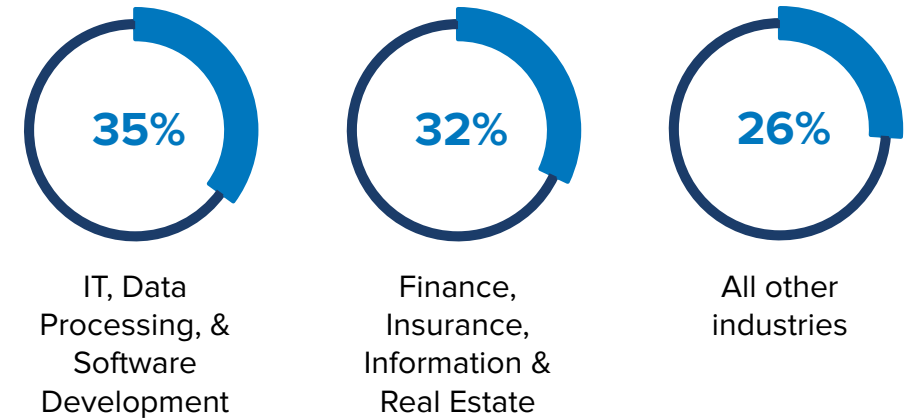■ Within the past year   ■ 1-2 years ago   ■ 3-4 years ago   ■ 5+ years ago   ■ Don't know
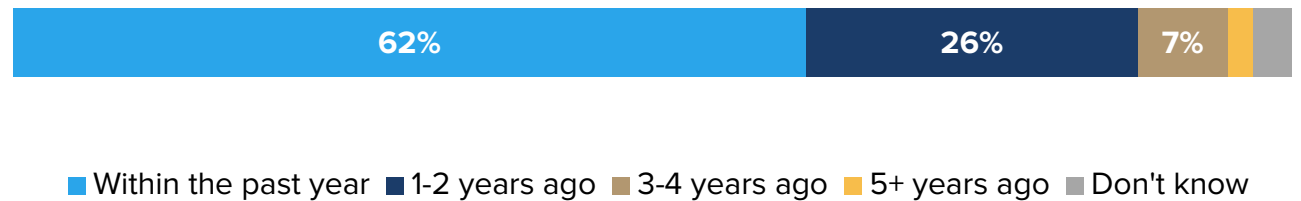
47% of HR professionals say using AI to support HR-related activities has become *somewhat* (37%) or *much more* (10%) of a priority for their organization in the last 12 months.

When using AI to support HR-related activities, the largest organizations, and organizations in technology and finance-related industries, are leading the way.

Percent of organizations that use AI to support HR-related activities, **by size**

38%

Extra-large organizations (5,000+ employees)

27%

Large organizations (500-4,999 employees)

26%

Medium organizations (100-499 employees)

22%

Small organizations (2-99 employees)

Percent of organizations that use AI to support HR-related activities, **by industry**

35%

IT, Data Processing, & Software Development

32%

Finance, Insurance, Information & Real Estate

26%

All other industries

Most HR professionals are optimistic about the potential for AI to benefit their organization.

- **3 in 4** agree that advancements in AI will increase the importance of human intelligence in the workplace over the next five years.

- **61%** are optimistic about the potential for the effective use of AI by employees at their organization.

- **56%** are optimistic about the potential for AI to improve collaboration at their organization.
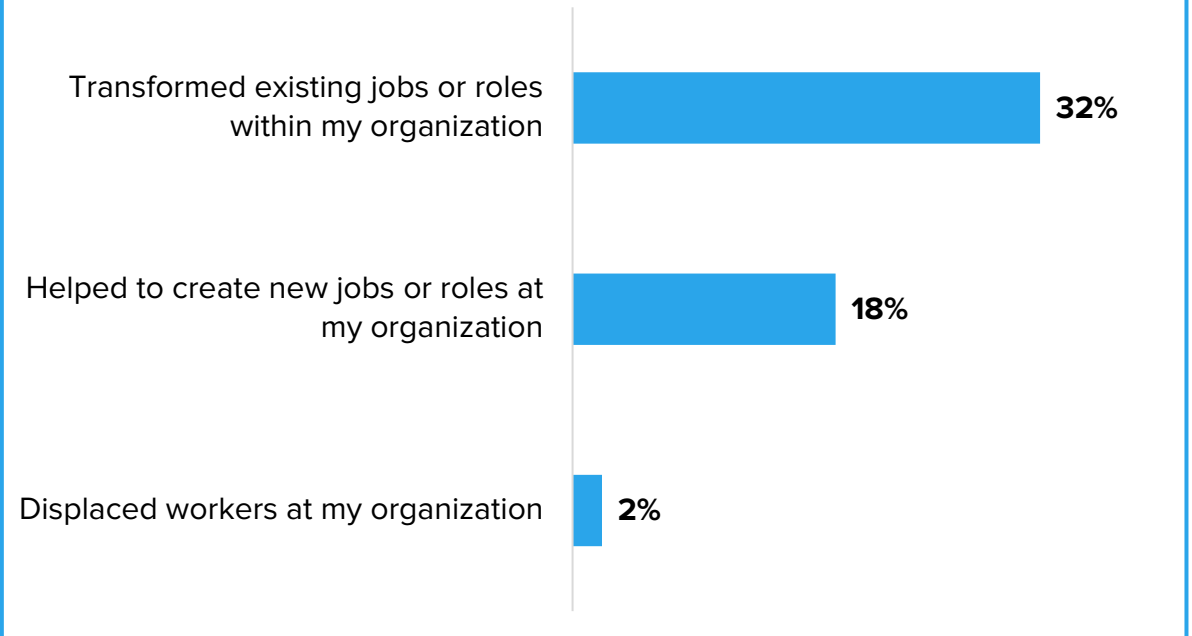
Nearly 1 in 4 (24%) HR professionals are concerned that AI will lead to job displacement at their organization.

Yet, in practice, those who work at organizations that use AI are **16 times more likely** to say that AI has transformed existing jobs rather than displaced jobs at their company.

My organization's use of AI has...
Among organizations that use AI to support HR-related or non-HR-related activities

Transformed existing jobs or roles within my organization — **32%**

Helped to create new jobs or roles at my organization — **18%**

Displaced workers at my organization — **2%**

Among organizations that use AI, **nearly 3 in 10 (29%)** have been proactive in training and/or upskilling employees to work alongside AI technologies.

How HR Uses Artificial Intelligence

Question was select all that apply. Among those who indicated their organization uses AI to support HR-related activities.

"Other" areas HR uses AI

TOP 3

64%
Recruiting, interviewing and/or hiring

43%
Learning and development

25%
Performance management

10%
Productivity monitoring

6%
Succession planning

1%
Layoff and/or firing decisions

1%
Promotion decisions

- *"Administrative tasks"*
- *"Policy writing and communications"*
- *"General communication (announcements, social media posts, company emails, etc.)"*
- *"Forms and resource writing"*
- *"Drafting documents, communications, messages, and tasks lists"*
- *"Internal communications, policy and procedure drafting"*
- *"Content generation for documents, presentations, and awards."*
- *"Answering FAQs"*

Recruiting, Interviewing, and Hiring

Among organizations that use AI to support recruiting, interviewing, or hiring activities, many are using AI to help perform administrative or recruiting-based tasks.
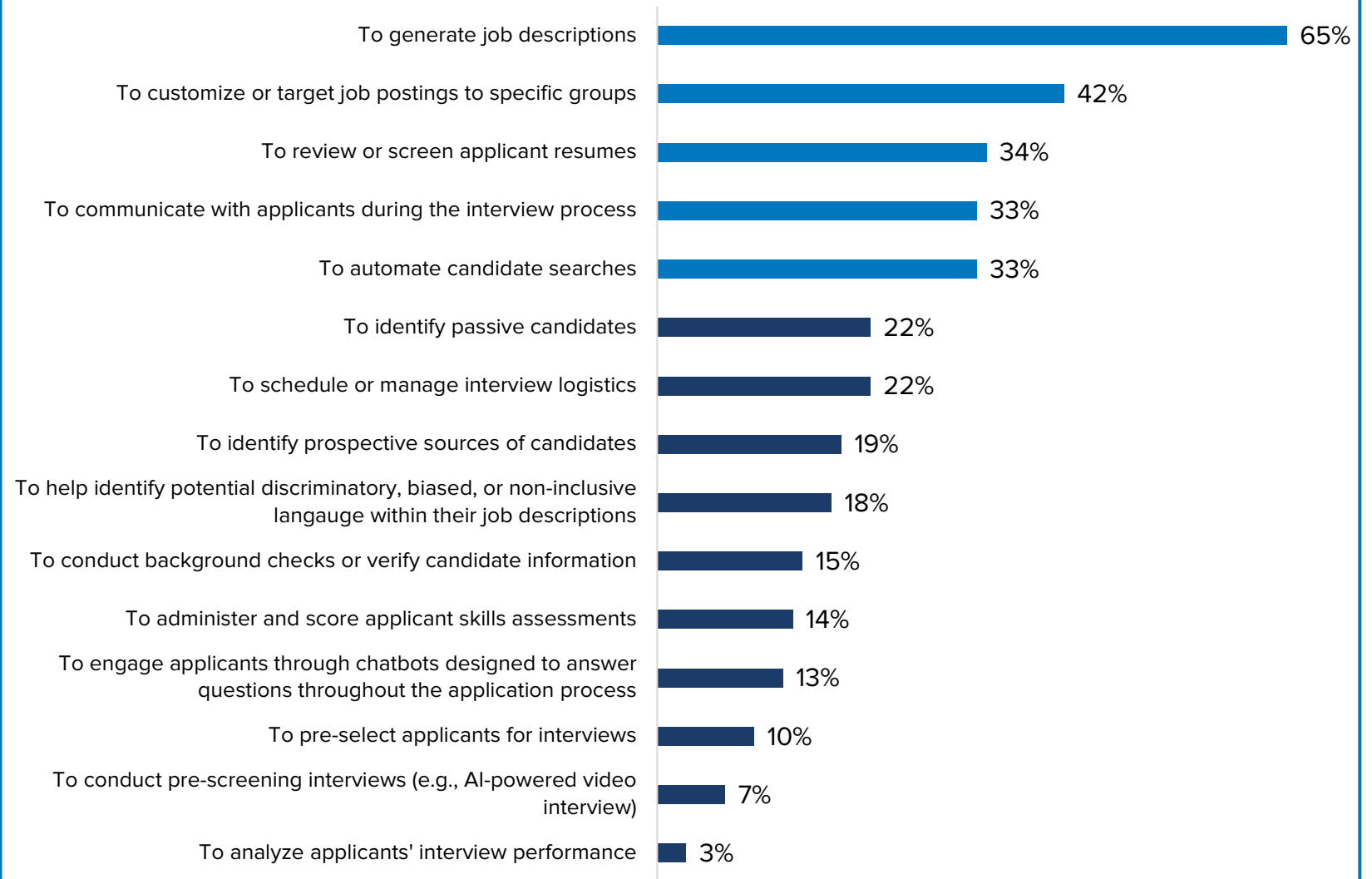
Nearly 2 in 3 are using AI to help generate job descriptions, with another **2 in 5** using it to further customize their job postings to better attract target groups.

Another 1 in 3 are using AI to review or screen applicant resumes, to communicate with applicants during the interview process, or to automate their candidate searches.

Despite news reports suggesting the growth of AI-powered pre-screening interviews, only **7%** of organizations are currently using AI for this purpose.
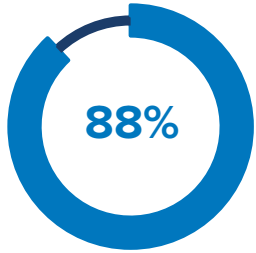
How HR Uses AI to Support Recruiting, Interviewing, and Hiring

Question was select all that apply. Among those who indicated their organization uses AI to support recruitment, interviewing, and/or hiring activities.

Use	Percent
To generate job descriptions	65%
To customize or target job postings to specific groups	42%
To review or screen applicant resumes	34%
To communicate with applicants during the interview process	33%
To automate candidate searches	33%
To identify passive candidates	22%
To schedule or manage interview logistics	22%
To identify prospective sources of candidates	19%
To help identify potential discriminatory, biased, or non-inclusive langauge within their job descriptions	18%
To conduct background checks or verify candidate information	15%
To administer and score applicant skills assessments	14%
To engage applicants through chatbots designed to answer questions throughout the application process	13%
To pre-select applicants for interviews	10%
To conduct pre-screening interviews (e.g., AI-powered video interview)	7%
To analyze applicants' interview performance	3%

Why HR Uses AI to Support Recruitment, Interviewing, and/or Hiring Activities

Question was select all that apply. Among those who indicated their organization uses AI to support recruitment, interviewing, and/or hiring activities.
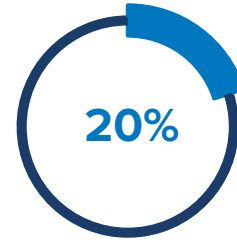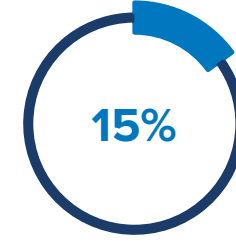
88%
It saves them time and/or increases their efficiency
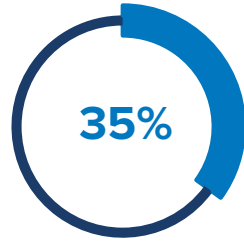
35%
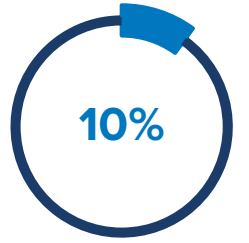It reduces their recruitment, interviewing, and/or hiring costs
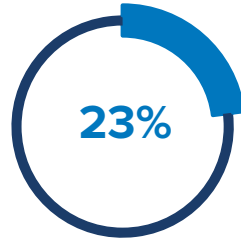
23%
It improves their ability to identify top candidates

20%
It improves their ability to reduce potential bias in hiring decisions

15%
It improves their ability to identify more diverse candidates

10%
It allows them to access underrepresented pools of talent they weren't previously reaching

Nearly half of HR professionals say the **quantity** of applications they must manually review is somewhat **(35%)** or much better **(14%)** due to their use of AI.

Around half of HR professionals say the **time** it takes to fill open positions is somewhat **(45%)** or much better **(7%)** due to their use of AI.
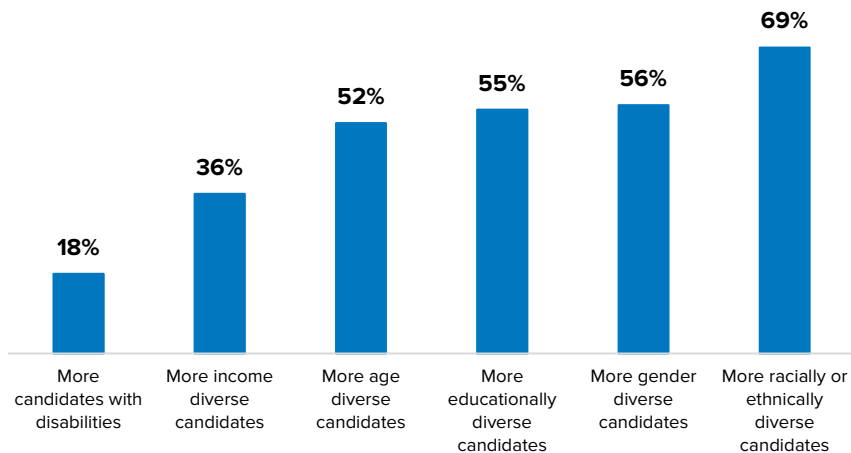
3 in 10 HR professionals say the **feedback their organization receives from applicants on the candidate experience** is somewhat **(26%)** or much **(5%)** better due to their use of AI.

AI for DEI?

Nearly 1 in 3 HR professionals say the **diversity of their organization's hires** is somewhat **(29%)** or much better **(3%)** due to their use of AI.

Diverse or underrepresented talent pools AI has helped organizations reach

*Among organizations using AI to improve their ability to identify more diverse candidates or to access underrepresented pools of talent they weren't previously reaching.

More candidates with disabilities	18%
More income diverse candidates	36%
More age diverse candidates	52%
More educationally diverse candidates	55%
More gender diverse candidates	56%
More racially or ethnically diverse candidates	69%

- *"We use an AI software that writes job descriptions to be more inclusive based on research. It allows us to write JDs that make minorities feel more welcome to apply."*
  - **Small employer in the Software Development industry**

- *"The AI [we use] scans applications for those with not only the educational requirements we list, such as a college degree, but it also scans for experience in the position posted as well so that those who do not have a college degree are brought forward and interviewed too, leading to a bigger applicant pool and better fill rate."*
  - **Large employer in the Healthcare industry**

- *"AI reaches out to passive candidates for us. These passive candidates have diverse backgrounds, and if not for AI, we would have missed them."*
  - **Large employer in the Retail industry**

- *"AI via [our Customer Relationship Management software] presents/suggests jobs to candidates proactively rather than the candidate having to find jobs they may not realize they qualify for/are interested in, to which they can apply."*
  - **Small employer in the Professional, Technical, and Scientific Services industry**

- *"In areas where we are looking to increase diversity, AI has been able to target quality candidates through analytics that meet the pool of candidates we are seeking (example, new to the workforce, return to workforce, female leaders, underserved communities, more cultures)."*
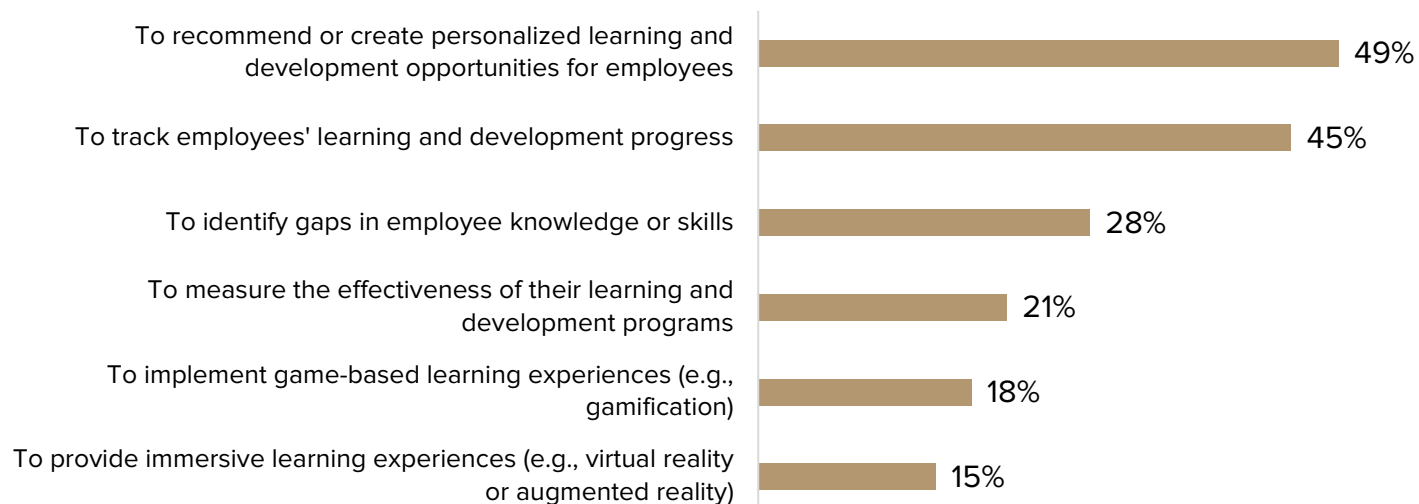 - **Medium employer in the Software Development industry**

Learning and Development

Among organizations that use AI to support learning and development activities, **nearly half** are using AI to recommend or create personalized L&D opportunities for their employees, with another **45%** using it to help track employees' learning progress.

Notably, among HR professionals who said their organization is using AI to support learning and development in other ways, many mentioned that AI is a great tool for helping them build out new training content and programs.

How HR Uses AI to Support Learning and Development

Question was select all that apply. Among those who indicated their organization uses AI to support learning and development activities.

To recommend or create personalized learning and development opportunities for employees	49%
To track employees' learning and development progress	45%
To identify gaps in employee knowledge or skills	28%
To measure the effectiveness of their learning and development programs	21%
To implement game-based learning experiences (e.g., gamification)	18%
To provide immersive learning experiences (e.g., virtual reality or augmented reality)	15%

### 💡 "Other" areas HR uses AI to support L&D

- *"Assist with training topics"*
- *"Content creation for L&D programs"*
- *"Develop program materials"*
- *"Help create learning modules"*

- *"Help in outlining new programs"*
- *"To help build content"*
- *"Outlines for new learning experiences"*

Why HR Uses AI to Support Learning and Development Activities

Question was select all that apply. Among those who indicated their organization uses AI to support learning and development activities.
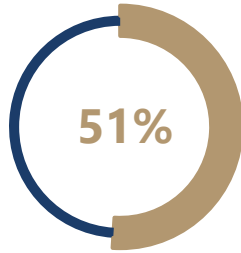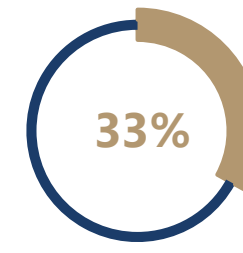
51%
It makes their learning and development programs more effective
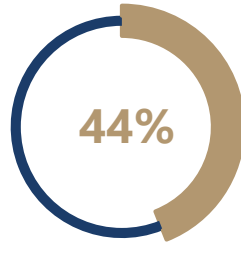
44%
It increases their employees' engagement in L&D
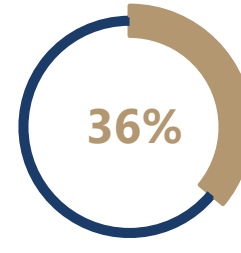
36%
It allows them to make more data-driven decisions related to their L&D offerings

33%
It has reduced their costs associated with L&D activities

Upskilling with AI

Among organizations that use AI to support HR-related activities...

Nearly 1 in 5 (19%) leverage AI to upskill or reskill their workforce

Over 1 in 10 (12%) leverage AI to identify skills gaps within their organization

Nearly 1 in 10 (9%) leverage AI to anticipate changing talent needs

How Organizations are Upskilling with AI

- *"Preparing customized training for our employees is easier with AI. I can insert a prompt or policy, and the program will develop a training outline. It definitely requires intervention and correction, but just getting a template outlined is very helpful."*
    - **Large employer in the Education industry**

- *"AI administers, tracks, and collates skill gap analysis frameworks to employees and identifies skill gaps based on role and career goal. It then provides personalized learning recommendations, and tracks progress and improvement over time."*
    - **Small employer in the Administrative Support and Services industry**

- *"AI is used for scenario-based learning development for our Frontline Sales Teams to provide almost-real life situations on handling customers."*
    - **Extra-large employer in the Publishing and Communications industry**

- *"We have AI tools that will assess our calls and from there we will understand what the most frequently asked questions are and the most common calls from our customers. We compile that data and look at learning opportunities for our employees."*
    - **Medium employer in the Finance, Banking, and Insurance industry**

- *"AI has really helped our people managers develop their talents. AI introduces them to new subjects, different videos, and more trainings that managers can take."*
    - **Medium employer in the Healthcare industry**
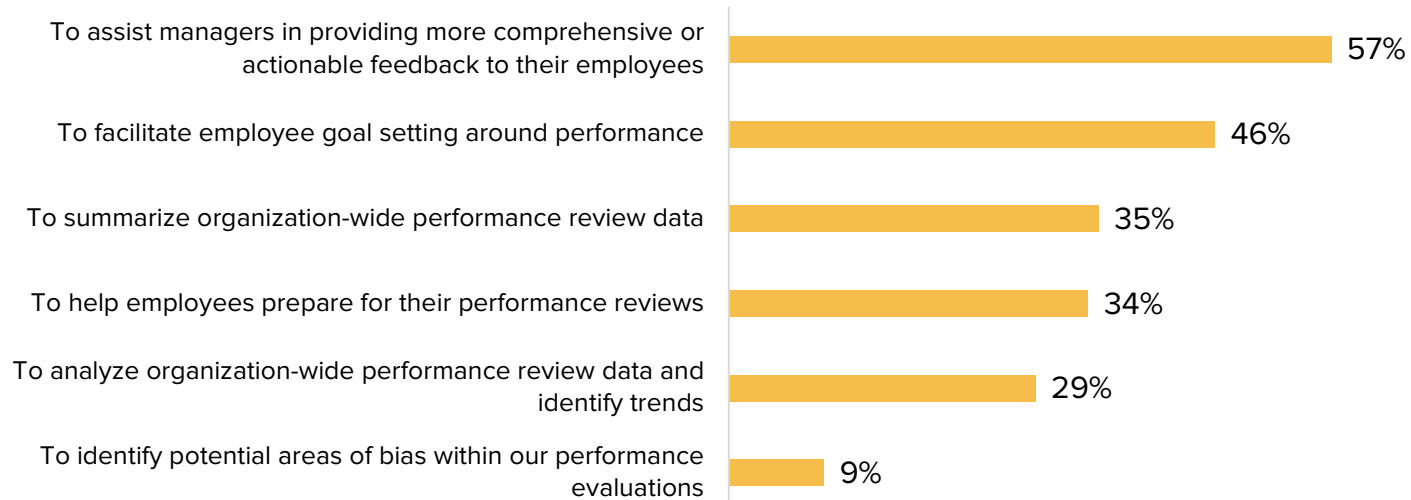
Performance Management

Among organizations that use AI to support performance management activities, many are using AI to help facilitate performance conversations and next steps.

Over half are using AI to assist their people managers in providing more comprehensive or actionable feedback to their employees and **46%** are using AI to facilitate employee goal setting around performance.

Notably, **1 in 3** are using AI to better prepare their employees for their performance review with their manager.

How HR Uses AI to Support Performance Management

Question was select all that apply. Among those who indicated their organization uses AI to support performance management activities.

Category	Percentage
To assist managers in providing more comprehensive or actionable feedback to their employees	57%
To facilitate employee goal setting around performance	46%
To summarize organization-wide performance review data	35%
To help employees prepare for their performance reviews	34%
To analyze organization-wide performance review data and identify trends	29%
To identify potential areas of bias within our performance evaluations	9%

70% of organizations that use AI to support HR-related activities say they've faced at least one **challenge** when using these tools.
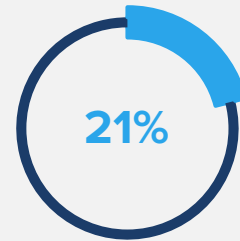
Top Challenges

"AI is not human. We are Human Resources so we must add empathy to the results that are drawn from AI."
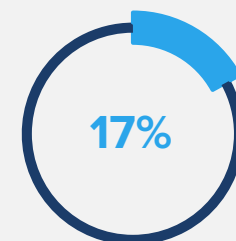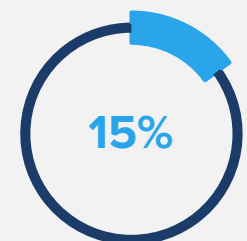**- Medium employer in the Construction industry**

40%
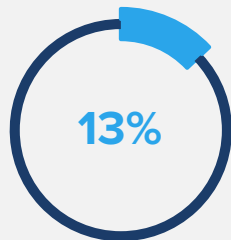Concerns about the security and privacy of data used by AI tools
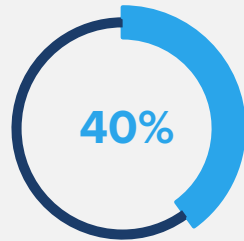
21%
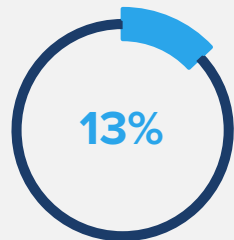Employee resistance to or lack of trust in AI tools

17%
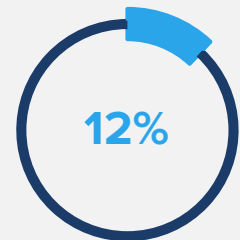Not having the resources (time, money, labor) to properly audit or correct AI algorithms

15%
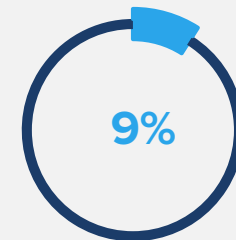Executive resistance to or lack of trust in AI tools

13%
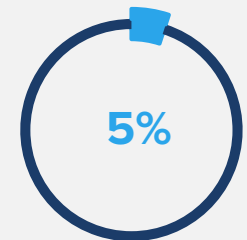A lack of transparency around how AI makes decisions

13%
Not having enough data to inform AI algorithms

12%
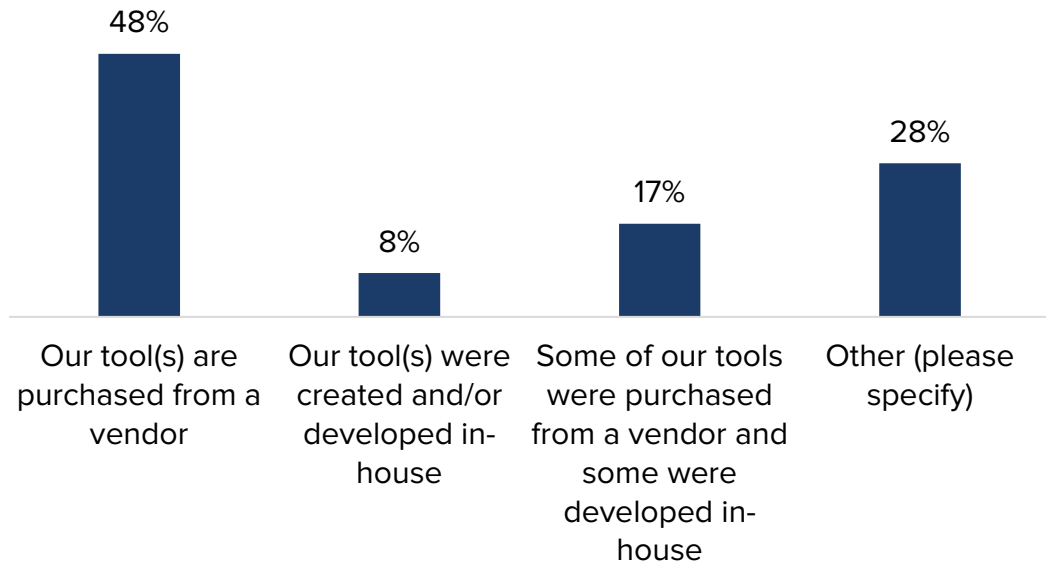Keeping AI models up-to-date with evolving HR needs

9%
AI accidentally overlooking or excluding qualified applicants or employees

5%
Issues with AI repeating or exacerbating patterns of bias because it learns from past data

16

Where organizations source the AI tools used to support HR-related activities

- 48% — Our tool(s) are purchased from a vendor
- 8% — Our tool(s) were created and/or developed in-house
- 17% — Some of our tools were purchased from a vendor and some were developed in-house
- 28% — Other (please specify)

Among organizations that source their AI tools from "other" places, the #1 response was open-source AI, such as ChatGPT.

Only 1 in 3

organizations that purchase AI tools from vendors say their vendor(s) are **very transparent** about the steps taken to ensure the tools prevent or protect against discrimination or bias.

Legend:
- Not at all transparent
- Not too transparent
- Somewhat transparent
- Very transparent

- 4%
- 14%
- 48%
- 34%
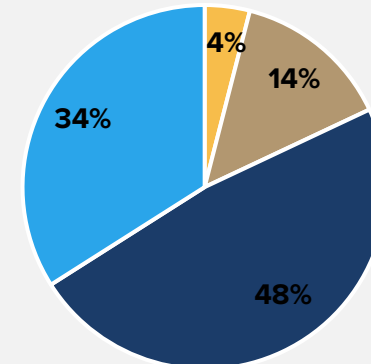
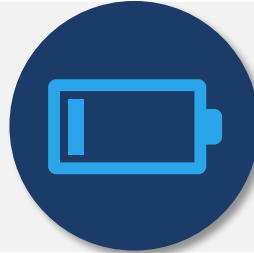# Reasons Why Organizations Don't Use AI to Support HR-Related Activities

Question was select all that apply. Among organizations that do not use AI to support HR-related activities.

TOP 5

42%
A lack of knowledge about what AI tools would best fit their needs

41%
Lack of resources (time, money, labor) to properly audit or correct AI algorithms

40%
AI lacks the "human touch"

33%
It is unclear how AI could benefit HR

29%
Concerns that AI may accidently overlook or exclude qualified applicants or employees
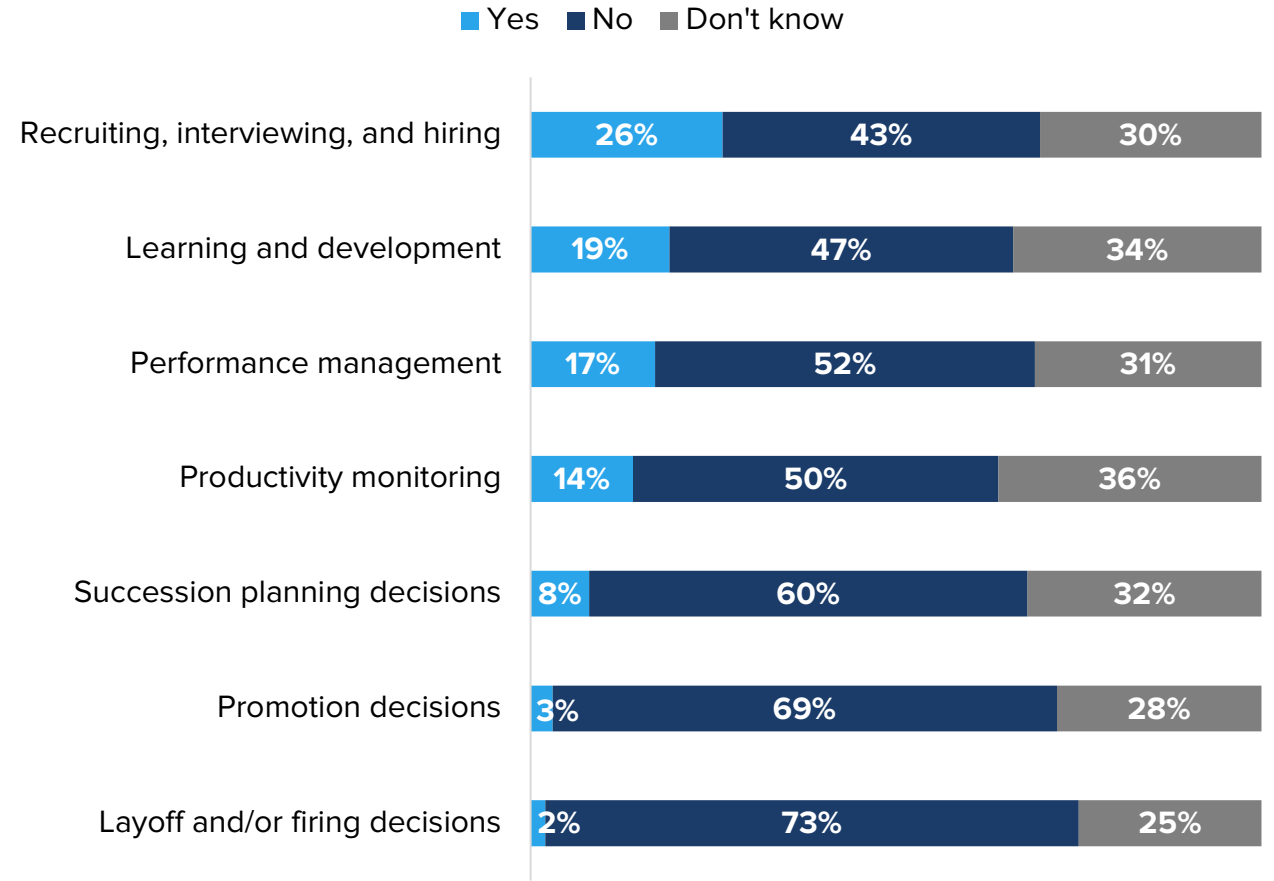
Other Reasons

- **25%** don't know where to start
- **25%** are concerned that AI is not as reliable or accurate as their staff is
- **21%** don't have enough data to inform AI algorithms
- **21%** say there is a lack of transparency around how AI makes decisions
- **20%** are concerned that AI can repeat or exacerbate patterns of bias because it learns from past data

Top areas where organizations will start using or expanding their use of AI in HR over the next five years

Is your organization looking to start using or expand its use of AI in any of the following areas over the next five years?

■ Yes   ■ No   ■ Don't know

	Yes	No	Don't know
Recruiting, interviewing, and hiring	26%	43%	30%
Learning and development	19%	47%	34%
Performance management	17%	52%	31%
Productivity monitoring	14%	50%	36%
Succession planning decisions	8%	60%	32%
Promotion decisions	3%	69%	28%
Layoff and/or firing decisions	2%	73%	25%

AI + HI (Human Intelligence) = ROI

Please describe an instance where your company has successfully combined AI and human intelligence (HI) to achieve a positive outcome.

- *"We uploaded a job description to a generative AI tool and asked what an applicant might search for to find this particular job.* **By then tweaking our job ad, we increased applies by 16%.**"
  - **Medium employer in the Software Development industry**

- *"We used AI to review all of our existing 200+ job descriptions. Initially, our goal was uniformity and consistency and formatting them into our new template for job descriptions;* **however, we found that AI could effectively add/supplement the existing job descriptions with many additional skills and responsibilities that were very accurate** *and greatly supported HR's work with the hiring managers during this project."*
  - **Medium employer in the Professional, Technical, and Scientific Services industry**

- *"I have developed position specific interview guides for my hiring managers [using AI] and* **the feedback from the hiring team and the candidates has been overall positive. It helps the interviewers stay focused on job skills and to provide a consistent candidate experience.**"
  - **Extra-large employer in the Manufacturing industry**

- *"I use AI in order to help me get started on building outlines for new programs. We are implementing a more formal safety program. I used the help of AI to see what a safety program would look like and where to begin.* **It really helped me to see an outline of a program to get a pulse of where we were currently at and what we were missing.**"
  - **Small employer in the Wholesale Trade industry**

- **"AI has helped to provide the "bones" of language** *used in new policy creation, job description development, job posting development and employee/candidate communication."*
  - **Small employer in the Manufacturing industry**

AI + HI (Human Intelligence) = ROI

Please describe an instance where your company has successfully combined AI and human intelligence (HI) to achieve a positive outcome.

- *"We were having a hard time filling lower skill level positions [...] due to the requirement that these workers needed a high school diploma.* **By having AI scan for experience instead of just a high school diploma, we were able to increase our applicant pool and fill positions we were having a hard time retaining.** *Our retention level in these jobs has risen and we have eliminated the requirement of a high school diploma for these positions."*
    - **Large employer in the Healthcare industry**

- *"Recruiting is one instance. AI may identify a passive candidate that we were unaware of.* **We have chosen to interview and hire someone that has come to our notice this way.***"*
    - **Large employer in the Retail industry**

- *"Chat bots are creating 24/7 access to answers,* **which improves the candidate experience and frees up the recruiter to actually recruit.***"*
    - **Large employer in the Childcare, Community, or Social Services industry**

- *"AI has provided us with ways to deepen our outreach when recruiting which combined with the expertise of our recruiters* **has allowed us to find candidates we might have never reached previously.***"*
    - **Small employer in the Professional and Civic Associations industry**

- *"I have utilized AI script-writing tools to create presentations for training. This has been immensely helpful as it has significantly cut down on the time to create the needed content. Additionally, writing job descriptions for new positions, where we have the overall idea but not the specifics, has been a big help. Typically, the job description generator will capture a better idea of the position details.* **All require editing but again, the time savings is significant.***"*
    - **Medium employer in the Healthcare industry**

AI + HI (Human Intelligence) = ROI

Please describe an instance where your company has successfully combined AI and human intelligence (HI) to achieve a positive outcome.

- "*We use AI to recommend learning pathways for our staff based upon the types of trainings that they are watching/learning from. We use human intelligence to conduct a gap analysis of what might be crucial learning that is overlooked because of how the AI provides pathways for people and then find ways to push those overlooked training topics to relevant people.*"
  - **Extra-large employer in the Professional, Technical, and Scientific Services industry**

- "*We utilize an AI tool to pull various research for legal cases. That data is reviewed by our law librarians and then shared to the appropriate attorney for their client. It has increased the speed of research and the link to the law librarians is critical in reviewing the data to ensure accuracy.*"
  - **Medium employer in the Professional, Technical, and Scientific Services industry**

- "*One of our research physicians has recently used AI to aggregate incidental findings in imaging reports to identify new methods of early detection for pancreatic cancer, increasing survivability odds to 80%.*"
  - **Extra-large employer in the Healthcare industry**

- "*We've utilized AI for comprehensive job descriptions and to create a defined role that provides clarity and structure within the organization. This has helped new hires understand the position and expectations and has also allowed us to promote individuals with clear intent on their expanding function.*"
  - **Large employer in the Real Estate industry**

- "*We integrated our HCM software with an AI-based engagement tool. It uses AI to recommend ways to improve our engagement score in areas that are low. This is being used by managers once they get their results to implement change, based off of AI recommendations, to improve our scores.*"
  - **Extra-large employer in the Manufacturing industry**