

In collaboration with ADP

welcome to brighter

Harnessing Artificial Intelligence

Maximizing impact for people and business



Contents

4 Introduction

What is Artificial Intelligence? Why AI matters today

5 Setting the Foundation

- **1** Strategy and planning
- **2** Deploying and adopting AI strategy
- **3** Scaling outcomes and driving global
- transformation through HR

12 **Conclusion**

The human-AI relationship

13 About

Introduction

The impact of Artificial Intelligence is vast, but it must be thoughtfully realized.

Recent data confirms 96% of CEOs view AI as more opportunity than risk, but that enthusiasm has not translated into action. <u>Mercer's Global Talent Trends 2024</u> confirms 80% of organizations are still exploring or just getting started on their journey to augment and extend human productivity with AI. When it comes to driving user adoption of AI at scale, only 15% of companies report utilizing it effectively throughout their organization.

We must bridge the value realization gaps that exist between what AI can do, what people need, and what the business demands. Charting a path forward will not only help organizations remain relevant and competitive, it will build agility, trust, and sustainability into businesses and people strategies.

This playbook illustrates a recommended journey to AI value. It extends beyond foundational education and safe experimentation and guides transparent vision setting, ethical use case development and prioritization, a readiness assessment and roadmap unique to your business, and scalable strategies for deployment and impact. Organizations must also consider governance design, data agility, change leadership, and work redesign if they are truly looking to maximize the impact of AI.

Let's get started.



The potential of Artificial Intelligence

Artificial Intelligence is set to fundamentally change the way people live and work. Early AI focused on rule-based systems that mimicked human logic, but the rise of machine learning and neural networks has enabled systems to learn, adapt, and make decisions from vast amounts of data. Today, AI powers tools that enhance productivity, personalize customer and employee experiences, and automate repetitive tasks, allowing people to focus on creativity, strategy, and innovation. All of these things allow organizations to work across distributed workforces and borders more easily. As AI continues to advance with generative models and autonomous systems, it holds the potential to redefine roles, foster collaboration between humans and machines, and unlock new opportunities in the workplace.

Why AI matters today

AI can act as a powerful catalyst for business growth and global workforce transformation. With AI-driven insights, automation, and decision-making capabilities, organizations are empowered to better understand their customers and workforce, optimize operations, personalize experiences, and accelerate innovation. By embracing AI, organizations can move beyond incremental change and be better positioned to anticipate, adapt, and respond to emerging opportunities and challenges with speed and precision.

This is a true inflection point for Human Resources. Finally, they can accelerate key business outcomes they own or influence.

Key outcomes of Al

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Transforms HR from a reactive support role to a strategic function that **accelerates global business outcomes** and **elevates employee experiences across distributed teams**.



Creates a more **efficient global workforce** by streamlining global and local processes, reducing repetitive tasks, and providing support, allowing **focus on meaningful work**.



Managers can move from transactional to relational tasks, using AI to automate administration, gain insights, and foster individualized employee interactions, **enhancing employee trust and team cohesion**.



When deployed responsibly, AI improves the overall workforce experience, creating a more **engaging**, **personalized**, and **equitable** work environment.



Establishing governance and a digital mindset fosters **trust in datasets and usage**, **compliant scalability**, regulated **growth across geographies**, and reimagined talent models, effectively reshaping the future of work.

Setting the foundation

Step #1 Strategy and planning

With any deployment of technology, it's important to remember success is not defined by a "go-live" and user adoption of systems and tools --- success lies in learning how to "go begin," including an organizational commitment to the changes and continuous improvement required to truly transform. Your goal is not to roll out technology, it's to change how people work.

AI strategy requires more transparency than most technology deployments, including explainability around sound datasets and usage, strategy effectiveness, and applications focused on net positive outcomes. In a good way, leveraging AI should naturally promote open communication, fair and inclusive outcomes by design, and a culture rooted in innovation for all.

Because AI supports people decisions and outcomes, organizations are rightly concerned with its ethical design and governance, bias detection and mitigation, and overall fairness and responsibility. Instead of thinking about AI as the problem itself, we should reframe AI as part of the solution. AI can help identify and eliminate bias in a lot of talent processes, like standardizing assessments used for hiring and promotion decisions and flagging unconscious bias patterns in decision-making. The rigor AI requires actually enhances the objectivity of HR processes and promotes fairer people practices overall. For global organizations, AI also serves as a strategic tool and growth enabler.

Global deployment of AI requires multinational organizations to consider the following:

- 1 **Local compliance regulations,** requiring multinationals to navigate complex data privacy and regulatory requirements in each jurisdiction.
- 2 **Tech readiness** by geography, which likely varies based on existing local infrastructure and processes. A global AI strategy must be adapted to fit the maturity of each country.
- **3 Localization** to address unique employee populations, local perspectives, and cultural nuances in each geography.

AI uniquely addresses many of the challenges commonly faced by multinationals, but its deployment requires planning and intentionality.

AI serves as a transformative catalyst in a global, growing organization by enhancing efficiency, driving innovation, and enabling scalable, data-driven decision-making to meet dynamic business demands.





Good questions for the strategy and planning phase

- What are the key components of an AI strategy?
- How do we align AI initiatives to organizational goals?
- Where can AI create the most value in our organization?
- Are we ready to adopt AI with our existing capabilities?
 - People skills
 - Data
 - Infrastructure
- What policies and frameworks do we need to ensure responsible, ethical use of AI?





Tips & tools for the strategy and planning phase

- A vision map with guiding principles helps articulate an AI strategy for HR by aligning organizational goals with AIdriven capabilities, like enhancing efficiency, employee experience, and decision-making. It provides a structured roadmap to bridge the gap between current processes and future outcomes, ensuring clarity and stakeholder alignment.
- A business case for investment defines the problem to be solved, links a solution to organizational goals, and details expected investment and return on investment, including a realistic timeline and measures of success. It also assesses risks and suggests necessary stakeholders for deployment.
- An AI Readiness Assessment, like one provided from Mercer, evaluates an organization's preparedness to adopt and integrate AI technologies into its HR practices. It assesses key dimensions like leadership alignment, workforce capability, data maturity, technology infrastructure, and change readiness, providing important insights into gaps as well as actionable steps to successfully deploy AIdriven solutions and strategies.
- An AI roadmap that summarizes your AI strategy, vision and objectives, and it organizes and prioritizes use cases. Other roadmap components include data strategy, technology stack, change management strategies, and timeline for deployment.
- AI governance design establishes a framework to ensure AI systems are developed, deployed, and managed with transparency, compliance, and fairness. It encompasses policies, accountability structures, and processes to manage risk and promote value alignment.

Step #2 Deploying and adopting AI strategy

The strategy and planning phase supports clear articulation of the value you hope to create for various stakeholders. You're ready for the activation stage, where you deploy solutions for impact, execute change, and monitor for continuous improvement against the right measures of success.

Mercer's <u>HR Technology Impact on the Workforce</u> <u>Report</u> shows many employees don't leverage new technologies because they don't trust them or don't trust them to provide value. The same research shows not everyone takes advantage of learning and upskilling opportunities because they don't clearly understand how they add value or impact the business. AI doesn't have to exacerbate these problems; it can help solve them.

For **people in the workforce,** AI doesn't just provide meaningful support for routine workflows. It also provides individualized journeys for relevance, which means employees better connect the dots between their own skill development, performance, organizational goals, and business strategies.

Mercer's Global Talent Trends confirms the #1 people priority of 2025: improving people managers' skills, taking a big leap up from 9th place in 2024. What a fantastic use case for AI, which can help **managers and leaders** get beyond administrative workflows and do more interpersonal work at scale. With AI-enabled insights, managers can spend more time with leadership and their teams, make timely recommendations, and turn lagging data into insights and strategy for workforce planning.

When it comes to deploying technology, RELEVANCE DRIVES ADOPTION. You don't have to make it work, you have to make it matter.



Here are a few actions you can take with AI to result in highly relevant, value adding workforce experiences:

- Analyze employee skills and performance to recommend personalized learning paths, aligning development plans with individual goals and company needs.
- Support engagement and retention by helping employees understand how skills contribute to organizational success and demonstrating proactive support for their development.
- Close feedback loops by performing sentiment analysis on factors affecting morale and engagement, allowing HR to refine strategies for better relevance and impact.
- Provide quick access with AI-driven assistants to vital information for employees, such as intellectual property, company policies, and employee benefits.
- Help managers assess skills, suggest personalized learning paths, highlight mentorship opportunities, and offer real-time coaching.
- Enhance the candidate experience by filtering applications for key traits, suggesting role matches, and automating interview scheduling. It also responds to queries, prepares candidates for a transparent hiring process, and assists new hires with onboarding and compliance.
- Support personalized and relevant communication, making employees feel seen and heard.
- Analyze data in real time to monitor workloads and detect early signs of burnout or disengagement. It can also propose solutions for improvement.



Good questions for the deployment and adoption phase

- How do we measure impact and success of AI adoption?
- Have we include enough diverse perspective to minimize bias?
- Should we buy or build solutions? How do we evaluate potential solution providers?
- How do we help our teams work with AI?
- How do we structure and manage AI for continuous improvement?
- How well can it address common global challenges? Distributed workforces, compliance demands and personalizing local experiences?





Tips & tools for the deployment and adoption phase

- AI-driven solutions should be peoplecentric and outcome-focused. It ensures alignment with organizational goals while focusing on scalability, usability, and measurable impact.
- Comprehensive and objective evaluation of options or vendors is another important capability. This involves evaluating vendors based on their capabilities as well as data security, data quality, integration capabilities, service, and proven success in your type of environment.
- Effective project management for AI deployment requires skills in global and cross-functional coordination, technical understanding of AI workflows, and expertise in managing data, timelines, and resources. Strong change management, risk assessment, and stakeholder communication is important, too.
- Accurate, diverse, unbiased datasets are essential for AI deployment to ensure models produce reliable, fair, and inclusive outcomes.
- AI adoption and change leadership is essential; technology doesn't change the way people work, you do! Good change leadership will seek to proactively address workforce concerns and foster a culture of trust, innovation for good, and collaboration.
- Employee feedback for refinement will be a critical tool for revealing insights into usability, effectiveness, and potential biases in the solutions you design. This feedback not only identifies areas for improvement, it will foster trust and alignment between people and organizational goals.

Thriving employees are more likely to trust their organization to:





Design work experiences that bring out the best in them



Empower them to make decisions independently and work with minimal oversight





Provide them with the latest technologies (such as generative AI) to do their job

Source: Mercer's 2025 Global Talent Trends Report



Step #3 Scaling outcomes and driving global transformation through HR

HR has a unique opportunity to guide the business to chart a path to AI success that cares for the human. But to do that, HR needs to assume the mantle of responsibility and directional strategy that comes with AI.

That includes leveraging AI to transform the HR function itself.

For too long, HR has been a reactive, administrative function with a focus on process management, compliance, and basic data management. HR often finds itself in problem-solving mode rather than problem-preventing mode, usually responding to situations rather than anticipating or planning for them. HR also spends a considerable amount of time on routine administrative tasks like payroll, benefits administration, and compliance, limiting its capacity to help grow and scale the business with other value-adding activities like strategic workforce planning and skill development.

And while HR is certainly overloaded with vast amounts of data, much of this data is siloed across geographies and processed at a basic, operational level without being translated into actionable insights. When HR spends too much time focused on administrative tasks, it misses the opportunity to understand and predict global workforce trends, business demands, and skill gaps.

This is where AI can help drive real HR transformation.

7 in 10

workers will try AI at work if HR talks about its impact.

But only 13%

of workers have heard from HR on AI.





AI informs strategy by streamlining global data and creating actionable insights

AI improves HR by transforming diverse data from multiple systems across multiple geographies into structured insights. It tackles the issue of disorganized data from sources like applicant tracking and performance records, making it cohesive and relevant, enabling HR to proactively identify trends and issues and support global expansion.

AI accelerates tasks

HR is often bogged down by administrative tasks like payroll and compliance, hindering its ability to focus on strategic activities like workforce planning and skill development. AI can automate repetitive tasks like data entry and scheduling, allowing HR to concentrate on higher-value work.

This shift could create more time for HR to identify employees for reassignment or reskilling. For managers, AI provides insights that facilitate more relational work, enabling timely recommendations and improved workforce planning. Both shifts serve to make the workforce more effective and productive.

AI drives business outcomes through HR

AI enhances HR by connecting workforce data to productivity and business outcomes, showing the impact of HR initiatives on organizational goals. This focus on relevant data helps HR align with business strategies and prioritize efforts that drive success.



Good questions for the scaling and transformation phase:

- How can we leverage AI to make HR more agile and responsive to change?
- How can AI support global growth strategies?
- How do we design an HR operating model that is efficient and scalable?
- How do we leverage AI to deliver a seamless employee experience at scale?
- How do we integrate AI tools into our existing HR tech stack?
- How do we redesign HR jobs to optimize for AI?
- How can we best pair people and and AI to increase productivity?
- How can AI enhance HR and employee workflows around the globe?





Tips & tools for the scaling and transformation phase:

- Mercer's HR Operating System is a strategic framework designed to optimize global HR functions by integrating advanced technology, data-driven insights, and agile processes. It helps organizations enhance workforce management, improve employee experiences, and align HR operations with broader business objectives.
- Employee experience journey maps help identify key touch points -- and pain points! -- in the employee lifecycle, guiding the deployment of AI solutions to address specific, relevant needs. Journey maps help ensure AI tools are designed to enhance engagement, streamline the way people work, and deliver better experiences.
- Function and work design are critical for any AI deployment, ensuring AI tools are seamlessly integrated into workflows where people will continue to naturally work. Human-machine teaming is a concept that will help us redefine responsibilities, optimize processes for impact, and enhance collaboration between AI and the global workforce.
- **Key metrics** and methods for evaluating AI impact should focus on measuring necessary outcomes like efficiency gains, cost savings, accuracy improvements, and employee satisfaction. This data, both quantitative and qualitative, supports refinement against business goals and continuous monitoring for optimization.
- Creating a Communication framework is critical to drive transparency and trust around AI functionality, data usage, and decision processes. If people don't know how AI is being used or benefits them, they won't use it, let alone trust it.
- Global organizations should gather and share proof points for how AI benefits employees, not just the business and HR. These might include instant support for HR queries, tailored learning and development recommendations and career path insights, reduced workloads, wellness tools to detect and manage stress, and reduced bias in hiring and promotion processes.

Conclusion

The human-AI relationship

A world of impact awaits when you embark on an AI journey for people and business outcomes, but it must begin and end with the human.

Sustainable impact will only be realized if we design AI systems that prioritize human needs, that people can trust, and that make everyone's lives better. Fostering trust in AI systems starts with transparent strategy, explainability, open communication and education that invites everyone on the value journey, and frequent checkpoints to measure and monitor appropriate outcomes.

Tangible AI outcomes around business performance, employee experience, and decision-making are already becoming well understood. However, the power of AI lies not just in its capabilities, but in how it is designed and applied to truly elevate the employee experience. As organizations navigate the complexities of an increasingly dynamic work environment, embracing data-driven, people-first AI is essential to creating meaningful connections with employees.

When we design solutions that prioritize simplicity, intelligence, and humanity, we ensure AI is not just a tool---and certainly not a threat.

Rather, AI is a partner in making work flexible, intelligent and deeply human-centered.





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Jess Von Bank is a 23-year industry veteran and impassioned evangelist of the modern experience of work and the future of talent. As both a former recruiting practitioner and an expert in bringing workforce solutions to market, Jess looks to broaden executive mindset to better design and deliver digital-first cultures that exceed the expectations of people and the needs of the business.

Jess is a global thought leader on HR transformation, digital experience, and workforce technology. She offers specialized expertise in recruiting, talent strategy, employer branding, DEI, brand building, and storytelling. She also runs the Now of Work, Mercer's global community for HR and work tech.

Jess is the President of Diverse Daisies, a nonprofit to enrich and empower girls. She lives in Minneapolis, where she races for free swag and raises her three daughters.

Mercer

Mercer designs and deploys innovative digital strategies to transform how HR delivers value to an organization and how people experience work. We fuel the success of digital transformation programs by offering market- leading advice, human-centered consulting, knowledge, research, and tools to enterprises and solution providers. We believe workforce technology should make work smarter, not get in the way. We help organizations evolve from technology implementation to holistic digital deployment. Turn your challenges into successful solutions by partnering with the most experienced and passionate bench of HR thought leaders who deliver on vision, strategy, design, deployment, and continuous innovation.

For more information, please visit: <u>www.mercer.com</u>

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