Human-centered AI

THE POWER OF PUTTING PEOPLE FIRST

Agenda

Introduction

What is human-centered AI?

AI and the fear of job loss

Moving from 'ugh' to 'wow'
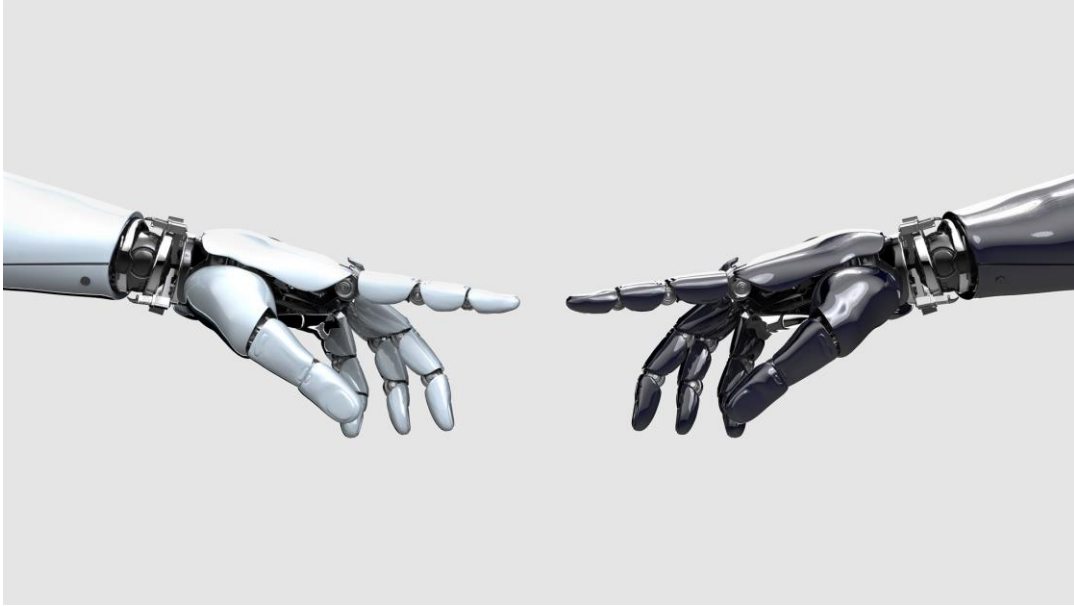
Rethinking roles with AI as copilot

Gen AI and organizational culture

The future of organizational design

Data privacy and other risks
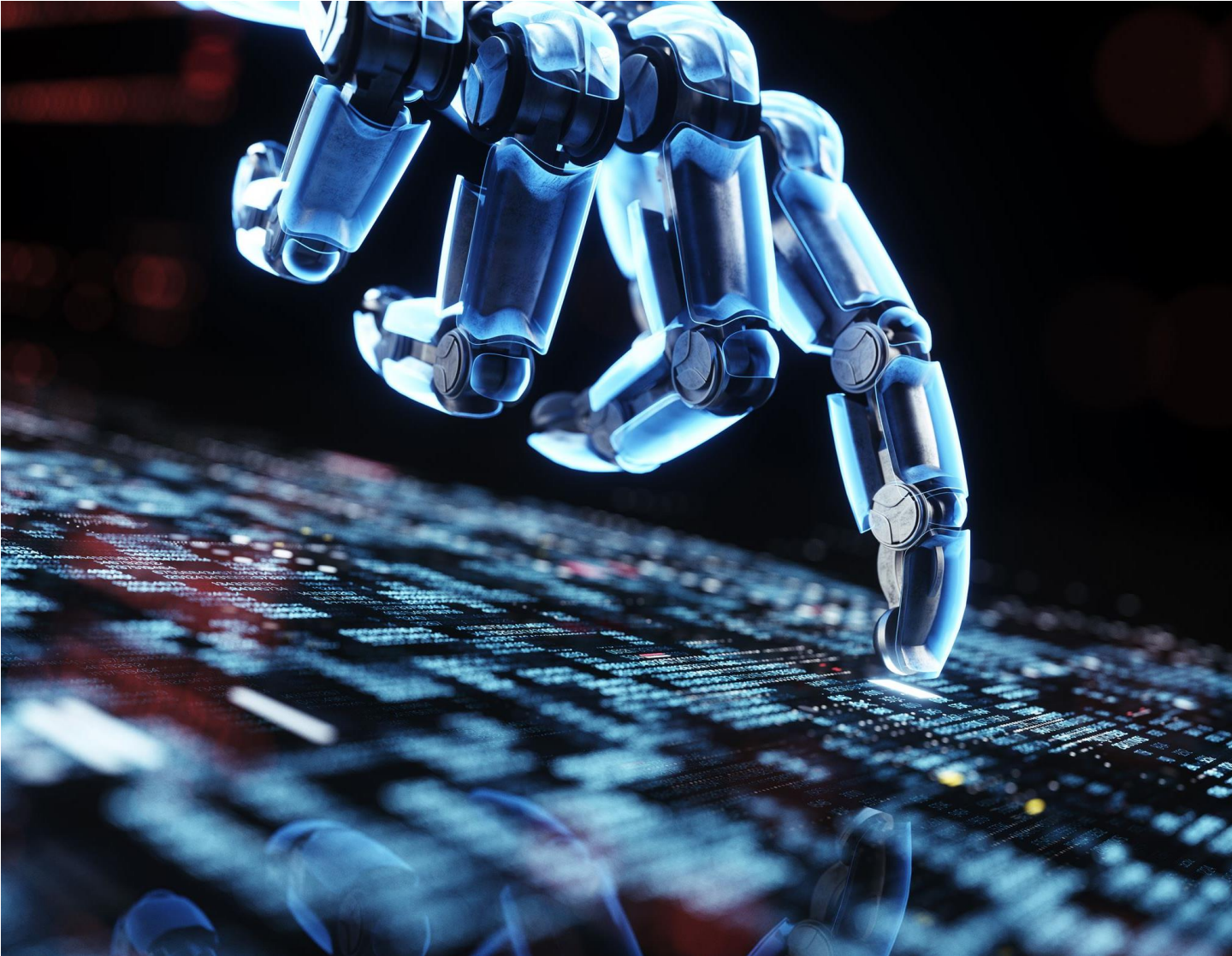
Assessing the success of AI tools in an organization

Conclusion

Introduction

Human-centered AI can transform jobs for the better

- ◦ Improves performance

What is human-centered AI?

Human-centered AI refers to different paradigms of design
- Focuses on augmenting human capabilities

Generative AI is just data and a language model
- Requires social arrangements to accomplish its potential

AI and the fear of job loss

Generative AI as a 'pair AI' helping with jobs is not threatening
- Examples include faster slide deck creation and email auto-completion

Fear of existential job loss is more macroeconomic
- Local adoption of AI is less threatening

Occupations have been reskilled, de-skilled, and new ones created
- Predictions of job loss in the 90s have not played out as expected
- Profound changes have occurred in occupations since the 90s

Discussion on whether change will be continual
- Will it be like the past with profound changes but no societal job loss?
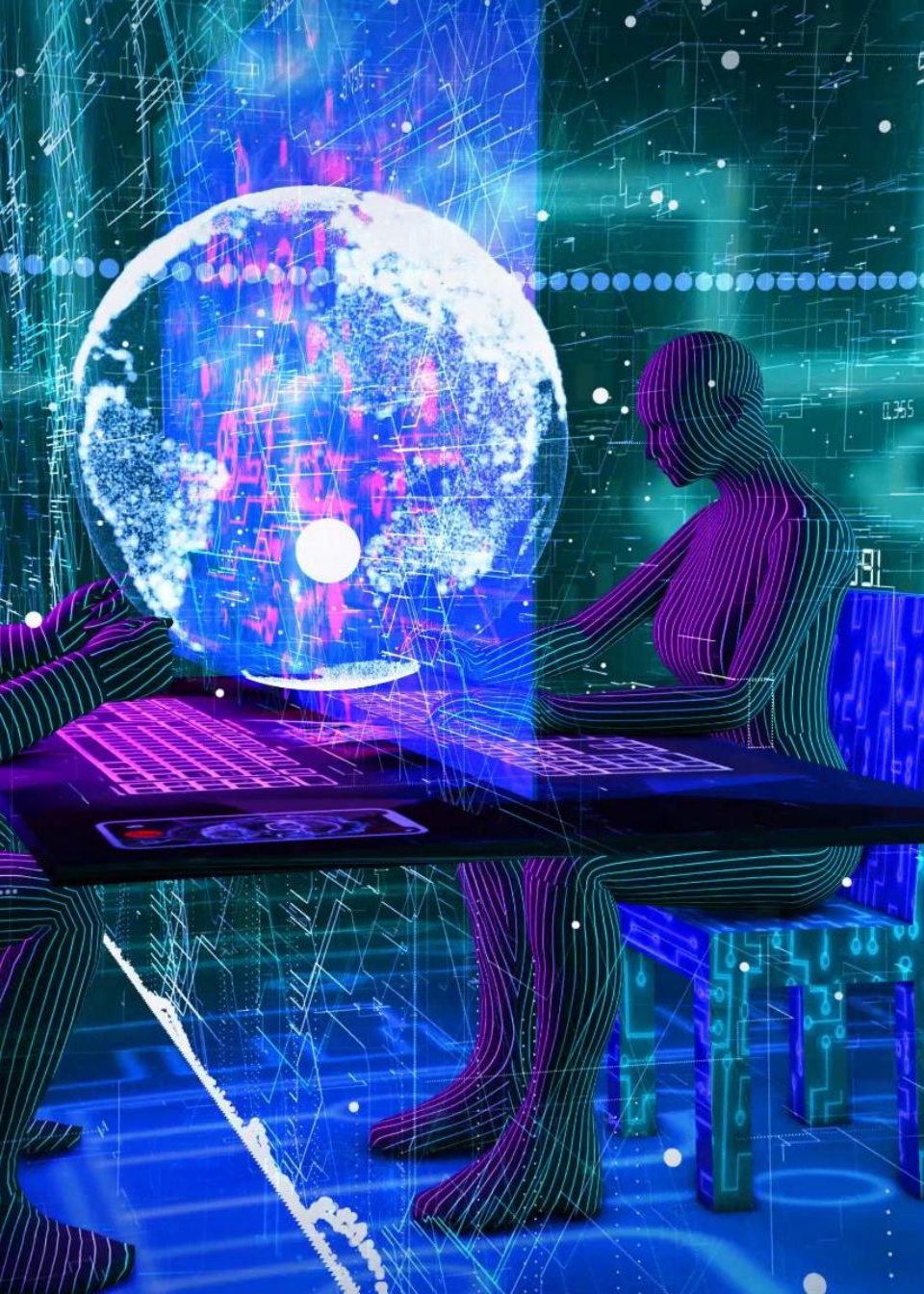
Moving from 'ugh' to 'wow'

Stitch Fix Case Study
- Developed new algorithm and reskilled workers
- Framed new capabilities to augment people's analyses
- UI lead developer built a UI to help buyers explore algorithm recommendations

Generative AI Potential
- Shifts conversation from cost savings to revenue potential
- Opportunity to better serve customers and grow revenue

Rethinking roles with AI as copilot

Adoption of AI affected by employees' self-identity
- Importance of professional identity underexplored
- Identity conflict in creative fields

Identity evolution over time
- NASA scientists' identity changed from problem solvers to solution seekers
- Fashion buyers' identity shift to integrate data in decision making

Copilot's impact on identity
- Depends on tasks performed by copilot
- Can be threatening to professional identity

Gen AI potential in marketing, sales, and communications

Gen AI and organizational culture

Impact of AI on Organizational Culture
- AI may create silos and affect interaction between departments
- Trust and relationships are important for a company to run well

Algorithms as Rating Systems
- Example: Tripadvisor collects data and gives a score to hotels
- Opaque algorithms make it difficult for hotels to improve

Impact on Workers
- Workers receive a score from an algorithm instead of a professional manager
- Difficult for workers to learn how to improve

Potential for AI to Help
- Large language models can help sift through unstructured data
- Provide a list of actions to improve

The future of organizational design

Generative AI can be applied to design managerial roles
- AI can take away administrative tasks that managers dislike

Managers make organizational-design decisions
- More data-driven and empirical insights can unlock exciting opportunities

AI can alter the way companies staff project work
- Software platform can anticipate the need for different roles and assemble the team
- Structure the team's work over time

Flash teams can be deployed internally or through labor markets

Data privacy and other risks

Assessing data privacy risks in HR context
- Segmenting data thoughtfully
- Tagging data for portability
- Global data management across multiple countries

Risks of generative AI
- Less interesting outcomes
- Less experience accumulation
- Deprecation of expertise

Assessing the success of AI tools in an organization

Trade-offs between human-centered approach and pressure for quick business results

- ◦ Adding a variable for human-centeredness takes longer and is harder
- ◦ Short-term profit vs long-term opportunities
- ◦ Performance and health scorecard for AI is important
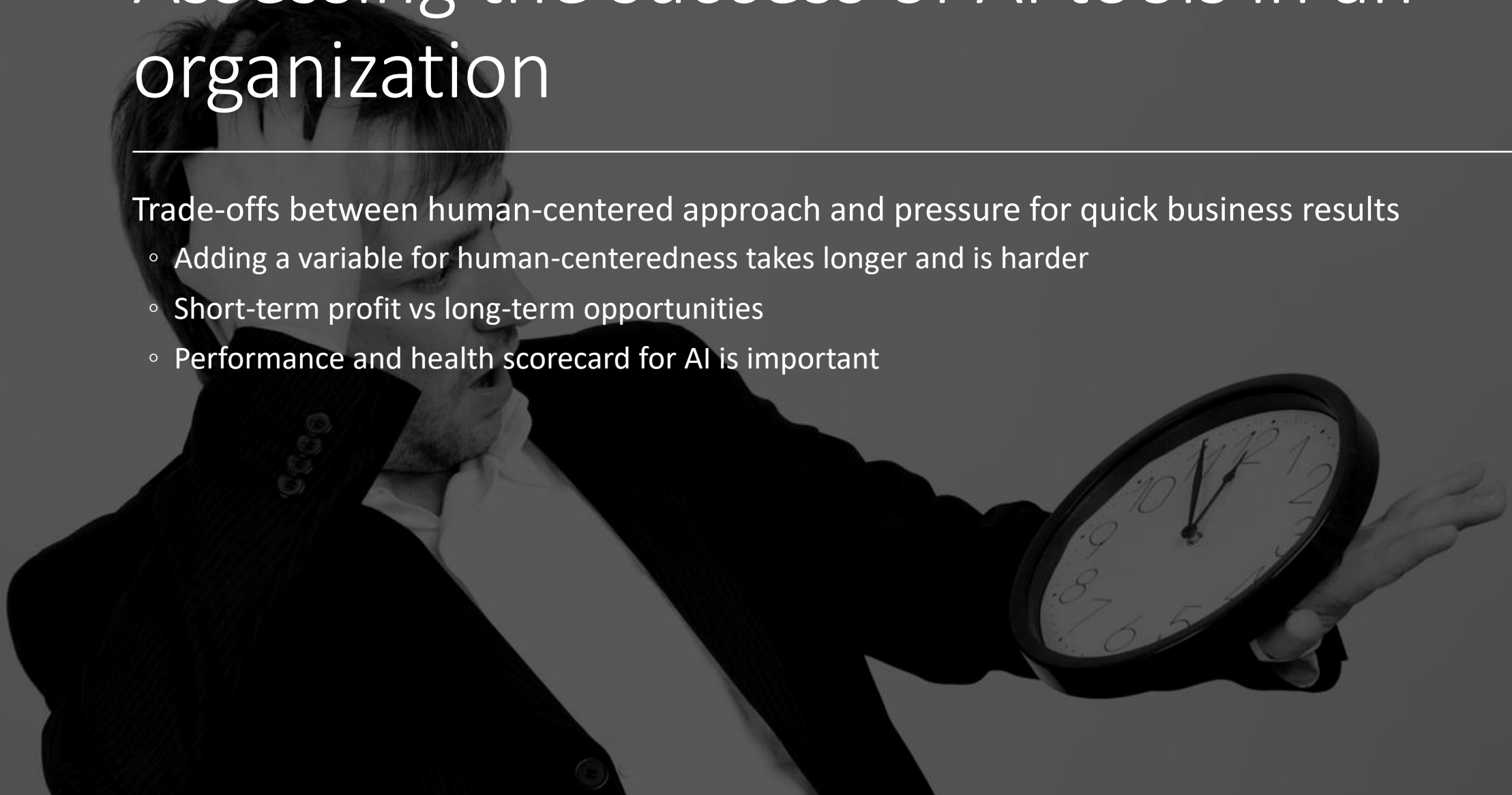
Conclusion

MELISSA VALENTINE: EXACTLY.