## STRATEGIC CHRO



## If You Were To Build An "AI-First" HR Function From Scratch, What Would You Do Differently?

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In this Strategic CHRO interview, Jacqui Canney, Chief People Officer at ServiceNow, shares her key insights about the role of AI in HR with The ExCo Group CEO David Reimer and Senior Managing Director and Partner Adam Bryant.

**Reimer:** How should companies be thinking about the role that artificial intelligence will play in their future?

**Canney:** Most companies have a sense of where they want to go. So, if they can apply currently available technology, including generative AI, how does that refine their thinking around the implications of that technology for their workforce, revenue streams, efficiencies, new opportunities, or creative approaches?

At ServiceNow, we believe that AI is ushering in a human renaissance. We're leaning into it, rather than being paralyzed by it, and making it part of our everyday conversations around everything we do, including sales, HR, finance, and product. It's part of our DNA to be talking about it—so much so that we created "AI 101" training for everyone at the company to have a shared vocabulary around the topic. That has helped our whole company feel connected to AI rather than being fearful of it.

During budget season, I asked my HR team to consider this question: If they were starting our function with an AI-first approach today, how would you organize and invest our resources?

Everybody on my leadership team had to think about the use cases they were excited about or would like to try. Then, we created an app on our platform that they could use to submit those ideas. We created a rubric to prioritize them and start testing and implementing those ideas.

**Bryant:** Was there a moment for you recently that made you think, "I didn't know AI could do that?"

**Canney:** I have a personal example and a professional one. The personal one: We went on a family vacation with about 14 people, and we were teasing the two dads who put the trip together because they were complaining that nobody writes thank-you notes anymore. So, I went into ChatGPT and had it write me a poem that touched on everything we did on the trip. I never thought I would use generative AI to write a family trip thank you poem.

Professionally, we have "Now Assist," our generative AI capabilities, as a coach to help you perform better. As one example, we've been using it for sales. If you're about to get on a sales call, it can funnel to you the last thing you discussed with the customer, the last thing they bought and other information about them. In HR, we're using it to help make people be smarter about how they handle difficult conversations—the bot provides a concise summary for how to do that.

Another thing I'm super-excited about is our skills-intelligence work that we've been piloting and will release later this year. We are looking at the skills that leaders will need in the future and how to help our leaders tie into them using generative AI. Implementing any technology that is so powerful, like generative AI, requires a talent strategy. If you implement technology without the change management, without the thoughtfulness of how to incorporate the technology into employees' work, you'll leave them behind. You need the workforce to lean in and be confident about it, not tentative.

The number one thing for leaders is to show their ability to have a growth mindset and understand that this technology can help make them better leaders. You start by thinking about the big potential gains from AI in terms of productivity. That then raises the question of what you might do with the extra capacity—are you looking at efficiency, effectiveness, augmenting, or creativity? And if you can spend more time on creativity, then you won't be out-innovated. AI is not about reducing headcount; it's about creating capacity to do other things.

For my HR team, it will mean shifting to focusing more on finding the best people for different roles and exposing them to every single opportunity that will make them exponentially stronger and better as leaders. It won't be processing and transactions and policy management.

**Reimer:** When you're hiring, how do you probe for whether the executive is Al-savvy?

**Canney:** I focus on product mindset for the HR team. I'm looking for an ability to see human-centered design approaches to solving a problem and how they bring technology into that, rather than the traditional siloed approaches. That's the number one signal for me as to whether a candidate is going to embrace AI in their work.

**Bryant:** There has always been, and always will be, a natural tension between employers and employees around expectations. Is there a role that you see Al playing to help navigate some of those conversations?

Canney: I do see generative AI helping leaders be more than reactive to employee concerns. As an example, when we were all dealing with COVID and I had to lead town-hall discussions about

vaccines and policies about return to office, there was, predictably and understandably, a lot of tension because policies were changing and people were having to figure out how to make it all work for their families.

If I had help from AI to be able to say, "Here are the trends, here is the way our people are feeling, here is the summary of what's being said on our internal home page," I could have communicated more effectively in those moments. If we are able to gather intelligence quickly with AI about how our people are feeling and thinking, that will make all our leaders more effective.

**Reimer:** What are Al's blind spots?

**Canney:** It needs to be used with oversight in the hiring process, especially. I can have the best real-time data and models, but AI can miss somebody who should be on a slate of candidates for a leadership job somewhere in the company. There is an element of human judgment about the characteristics you need in the leaders of today and tomorrow, and there might be some differences in what the data tells me. AI's ability to remove judgment is helpful in some contexts. But it can also remove the wrong judgment if you're not careful.

There's something about the human connection that AI can't account for. If I had to have a hard conversation with an employee, AI can help me prep based on assumptions about how the employee will likely react. But what if the employee reacted differently than what I was prepared for? I have to be able to adjust and meet that person where they are. That's what leaders do. So, that is something that we have to guard against. Data doesn't always have the answer.