



Exploring the Impact of Artificial Intelligence & Generative AI on Public Sector Human Resource Professionals

A Survey of the Public Sector HR
Association Membership

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Introduction

This report explores the impact of artificial intelligence (AI) and generative AI (GAI) on public-sector human resource (HR) professionals, focusing on their readiness, adoption, and perceptions. Key findings reveal varying levels of comfort and adoption of AI technologies among HR professionals, with significant skepticism about AI's effectiveness in improving recruitment transparency and personalization. The report highlights the value of AI/GAI in professional development, though concerns remain about its impact on performance evaluations and fairness.

Recommendations include enhancing training, improving transparency, and integrating AI with human expertise to maximize its benefits in HR operations.

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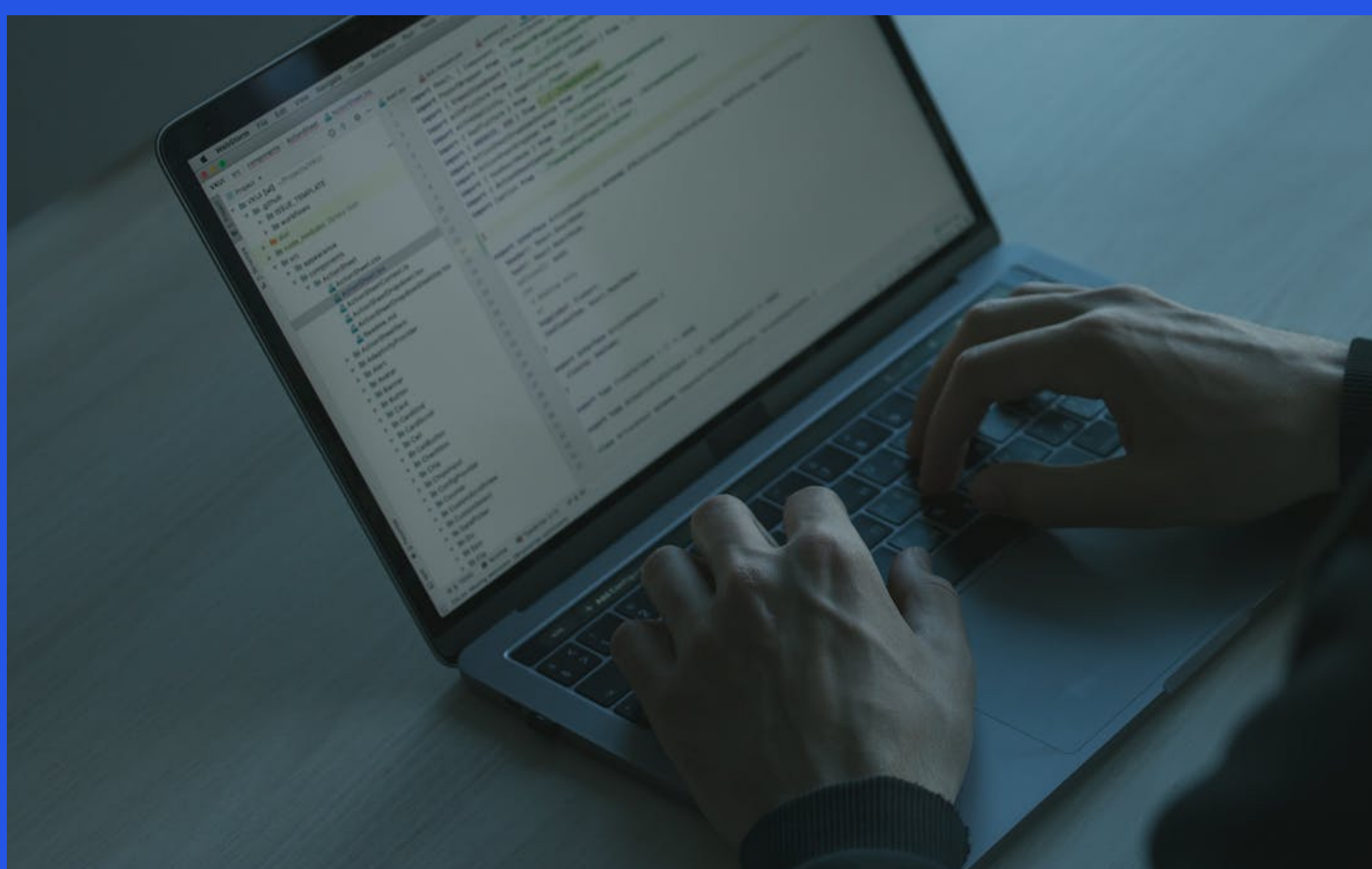


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Introduction

The rapid advancement of artificial intelligence (AI) and generative AI (GAI) technologies offers opportunities and challenges for the public sector. Government organizations aim to improve efficiency, transparency, and service delivery, making the role of human resource management pivotal. This report investigates how AI and GAI tools impact HR tasks, focusing on adoption, readiness, and the influence on job roles and responsibilities.

Rationale



Varying AI adoption and readiness



Skepticism and fear regarding its impact

Study Impact



This study underscores the critical need for AI and GAI training for HR professionals to ensure a balanced integration of technology and human expertise. It highlights a pivotal role for PSHRA in driving AI adoption by providing essential guidance and strategic policy frameworks and fostering a culture of innovation within HR departments.

Methodology

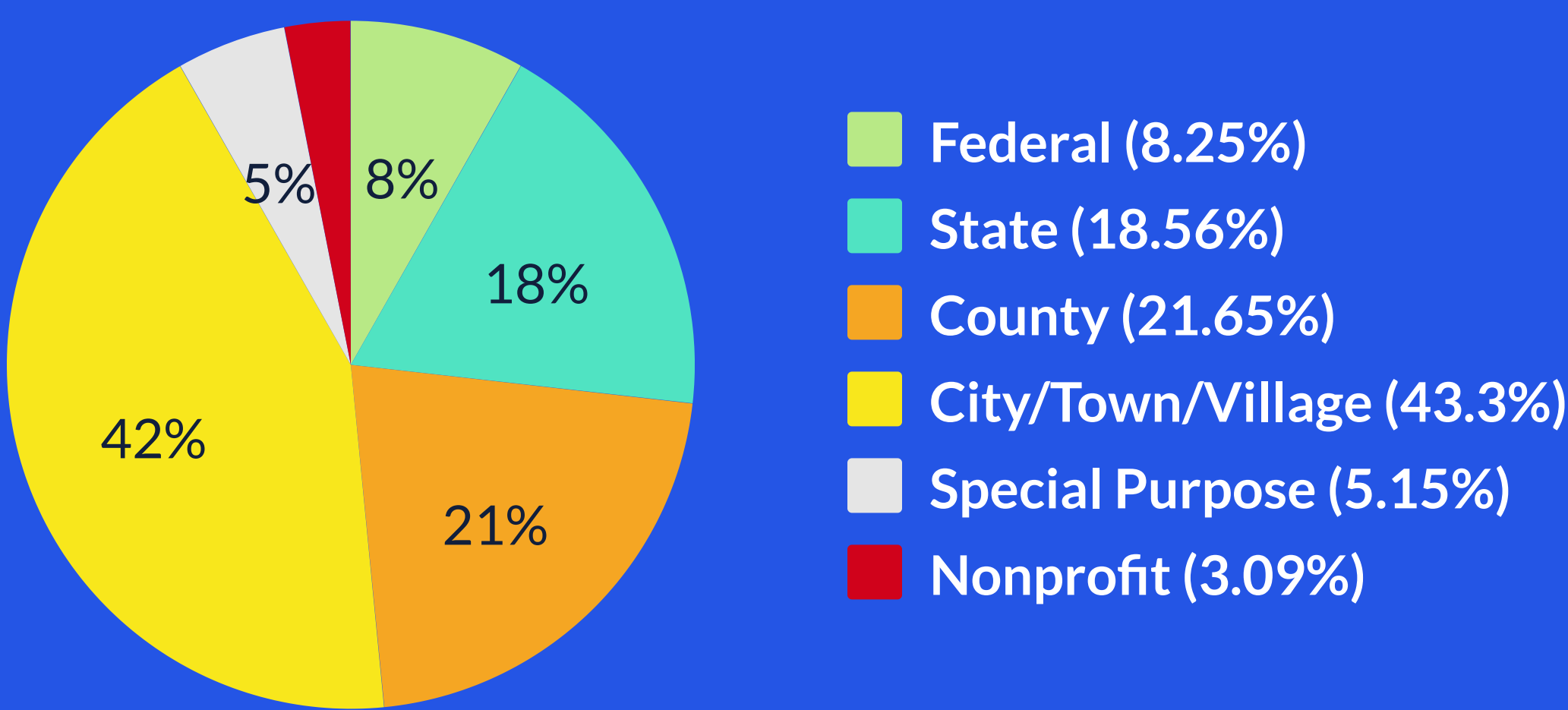
The study uses a mixed methods approach, combining quantitative responses from a web-based survey with qualitative insights from focus groups and individual interviews. In collaboration with PSHRA leadership, the survey was distributed to the PSHRA membership database and focused on views and implementation of AI and Generative AI in public sector HR.

155 members responded to the survey. Subsequently, six focus groups and individual interviews were conducted using the same open-ended questions based on the survey topics. Data triangulation was employed to explore the primary study topics through statistical analysis of survey responses and thematic analysis of interview transcripts.

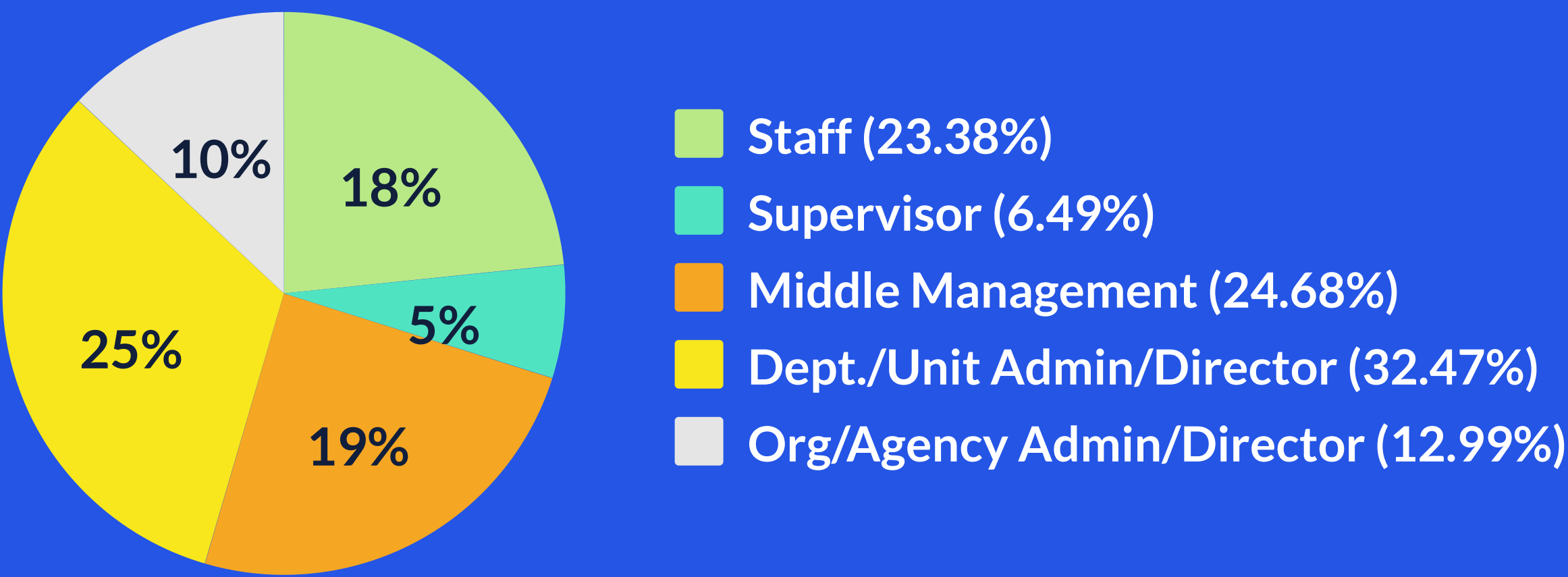
Web-Based Survey: Distributed to the PSHRA membership.	Survey Content: Questions on the views and implementation of AI and Generative AI.	Survey Responses: A total of 155 members responded to the online survey.	Focus Groups/Interviews: Six focus group and interviews using a structured approach.	Data Triangulation: Statistical analysis of survey responses & thematic analysis of interview transcripts
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Demographics

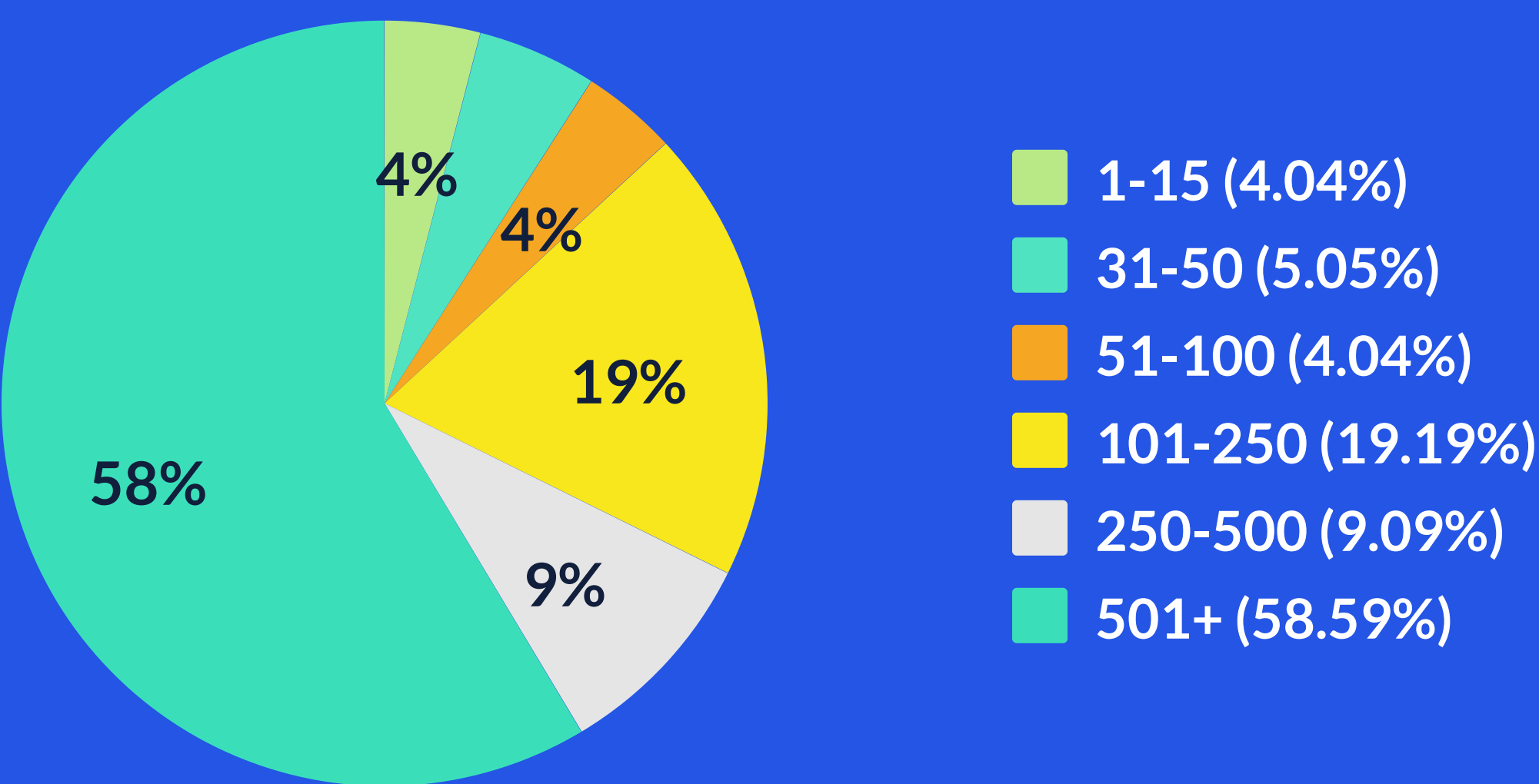
Organization Type



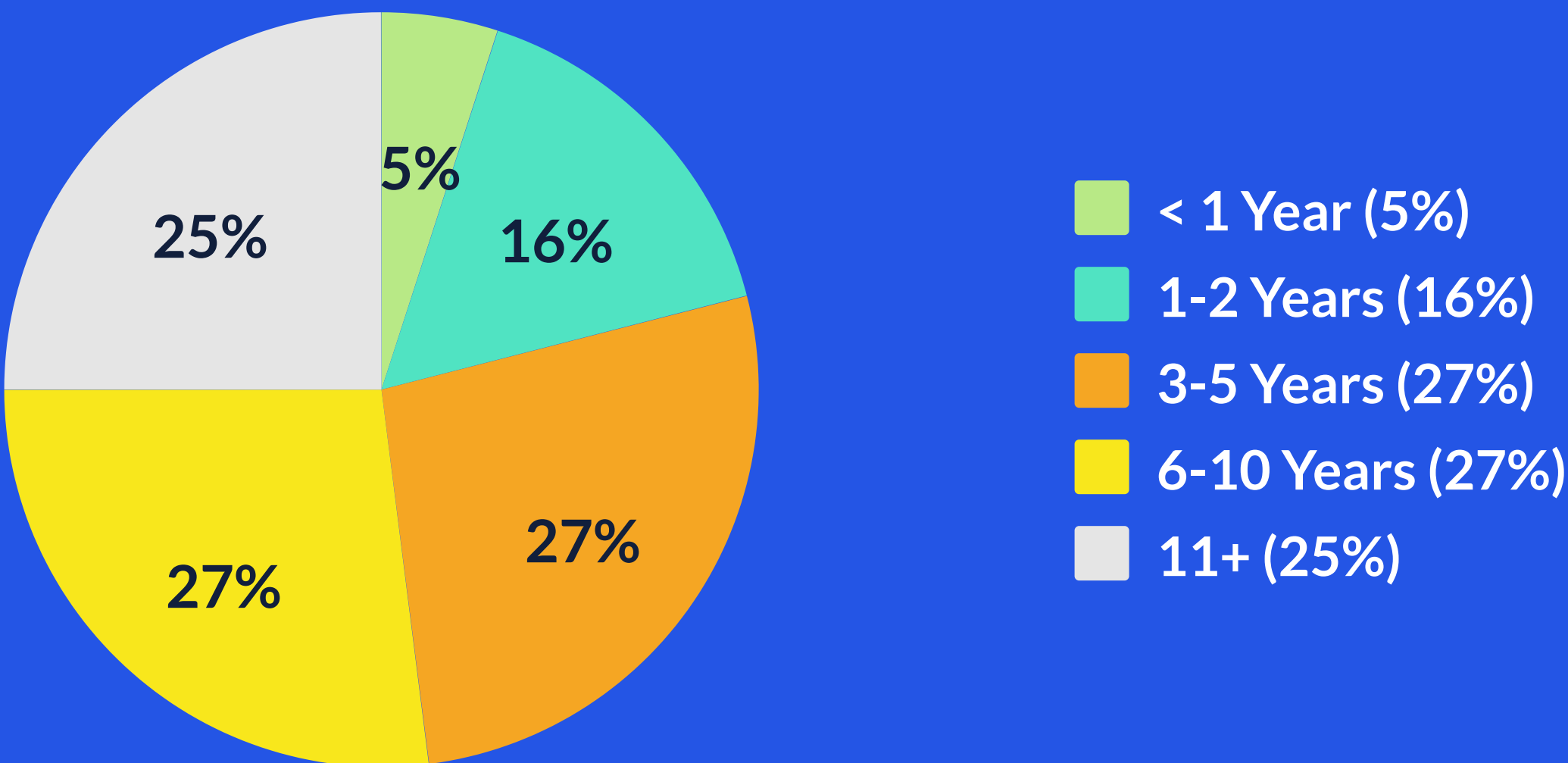
Position



Organization Size (# of Employees)



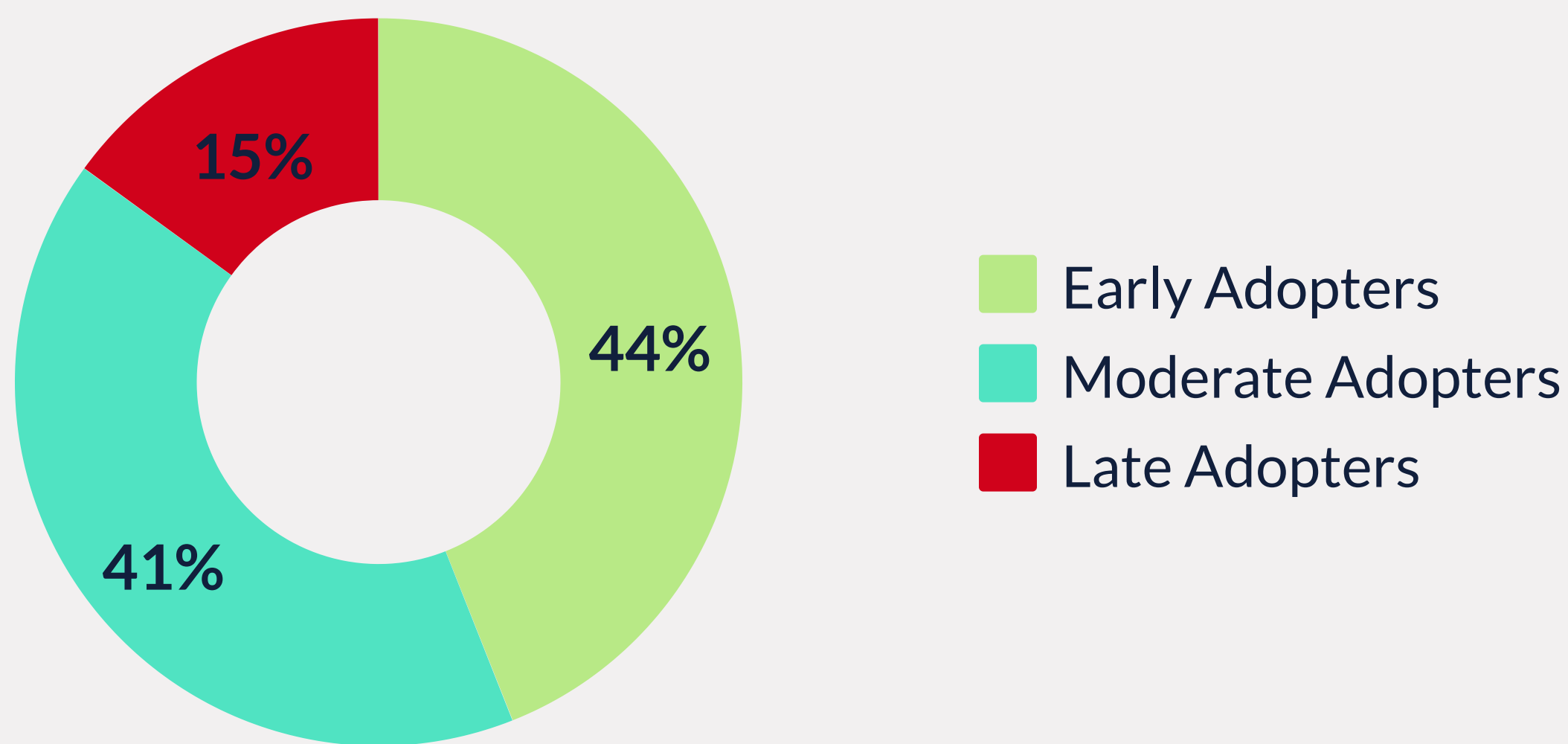
Years of Experience w/ Current Employer



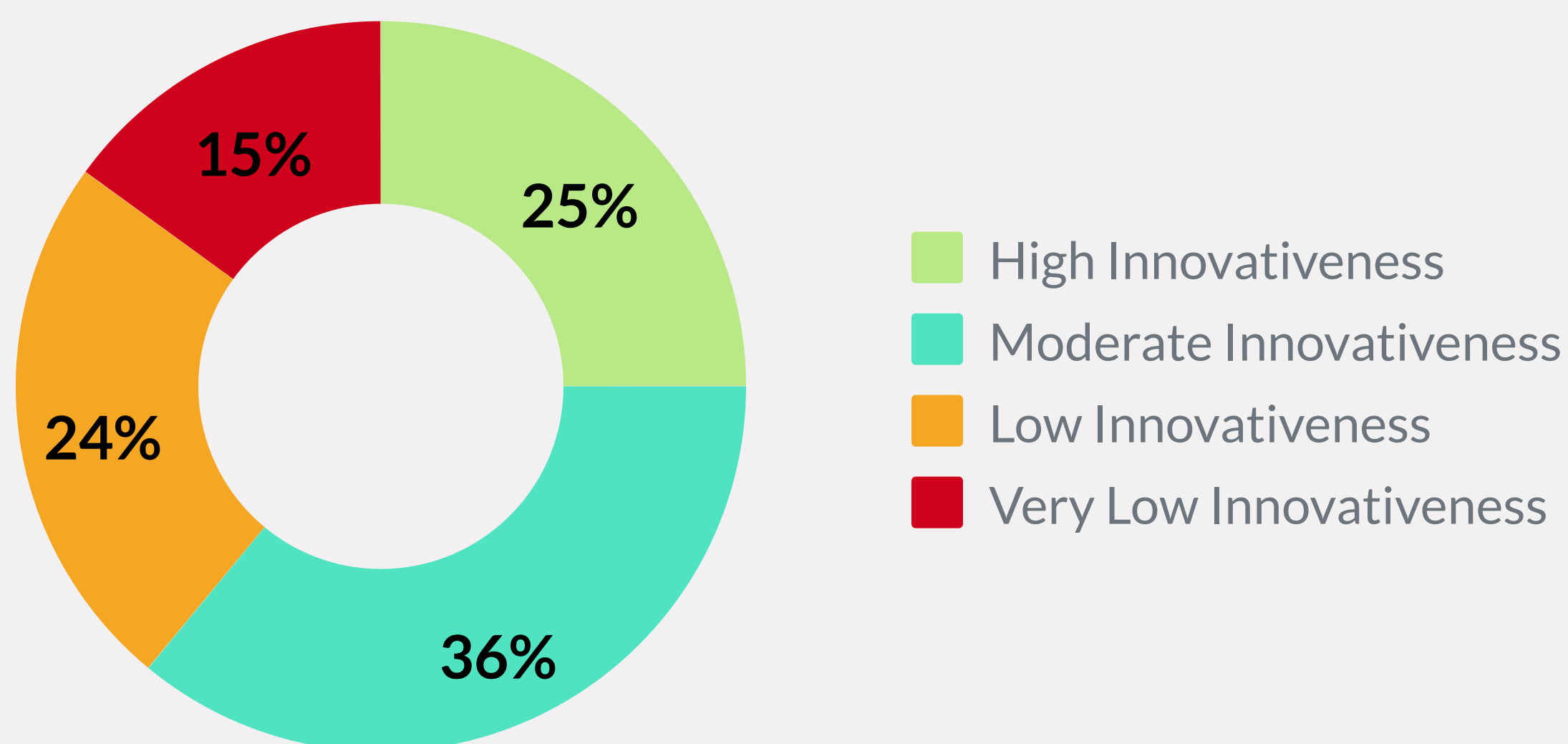


Individual Readiness for AI/GAI Adoption

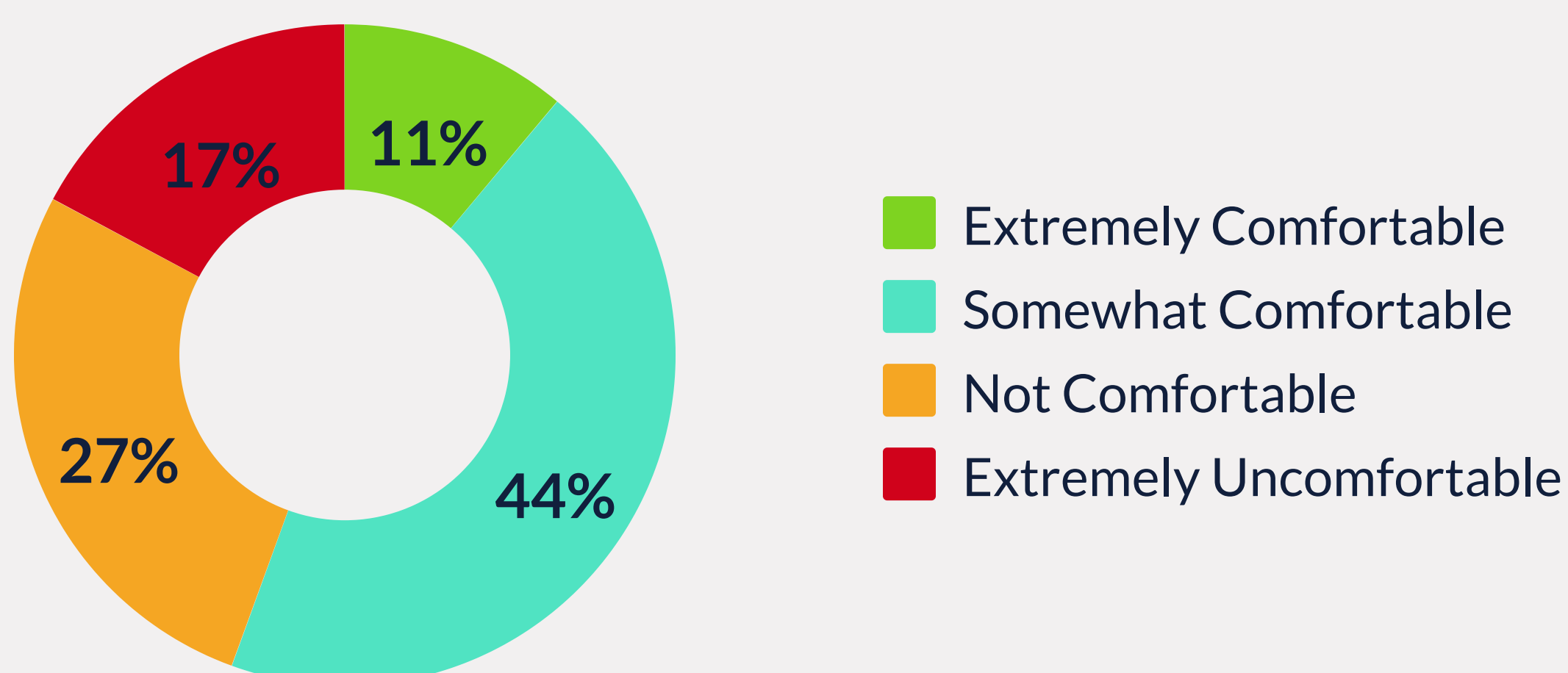
Early Adopter Status



Level of Innovativeness



AI Comfort Level



HR Professionals: How likely are they to lead the way?

Early adopters quickly embrace new technologies like AI, leading the way for broader acceptance and integration within their organizations. Innovativeness measures an HR professional's willingness to seek out and implement new ideas, driving experimentation and change. With an average innovativeness score of 9.67, there is moderate openness to new technologies; however, 44% are less open to change. These data and moderate comfort scores for AI (5.56) and GAI (5.26) highlight the necessity for targeted training to boost confidence and clarify the differences between AI and GAI.

Individual Readiness for AI/GAI Adoption Continued ...

Focus Group/Interview Insights

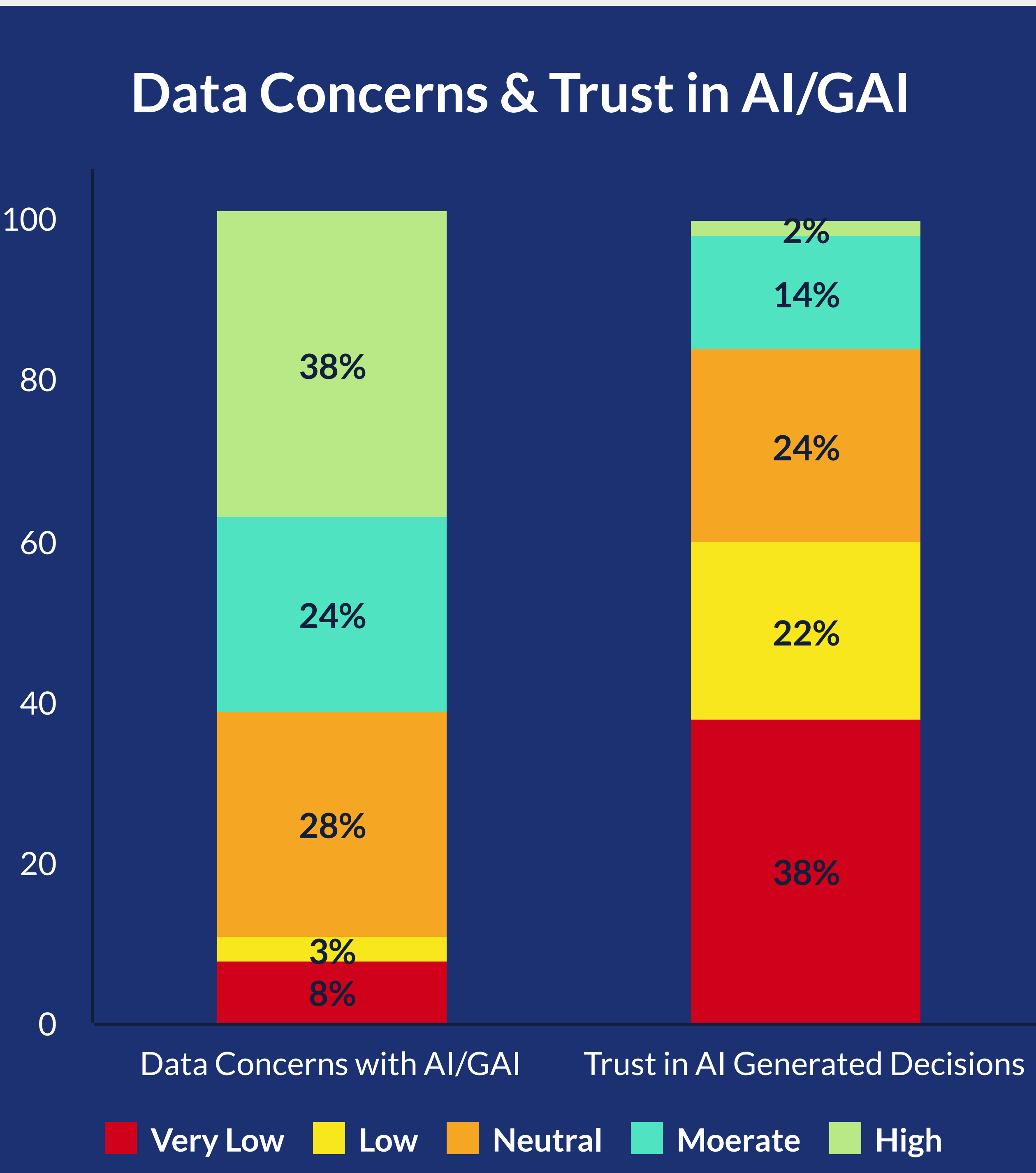
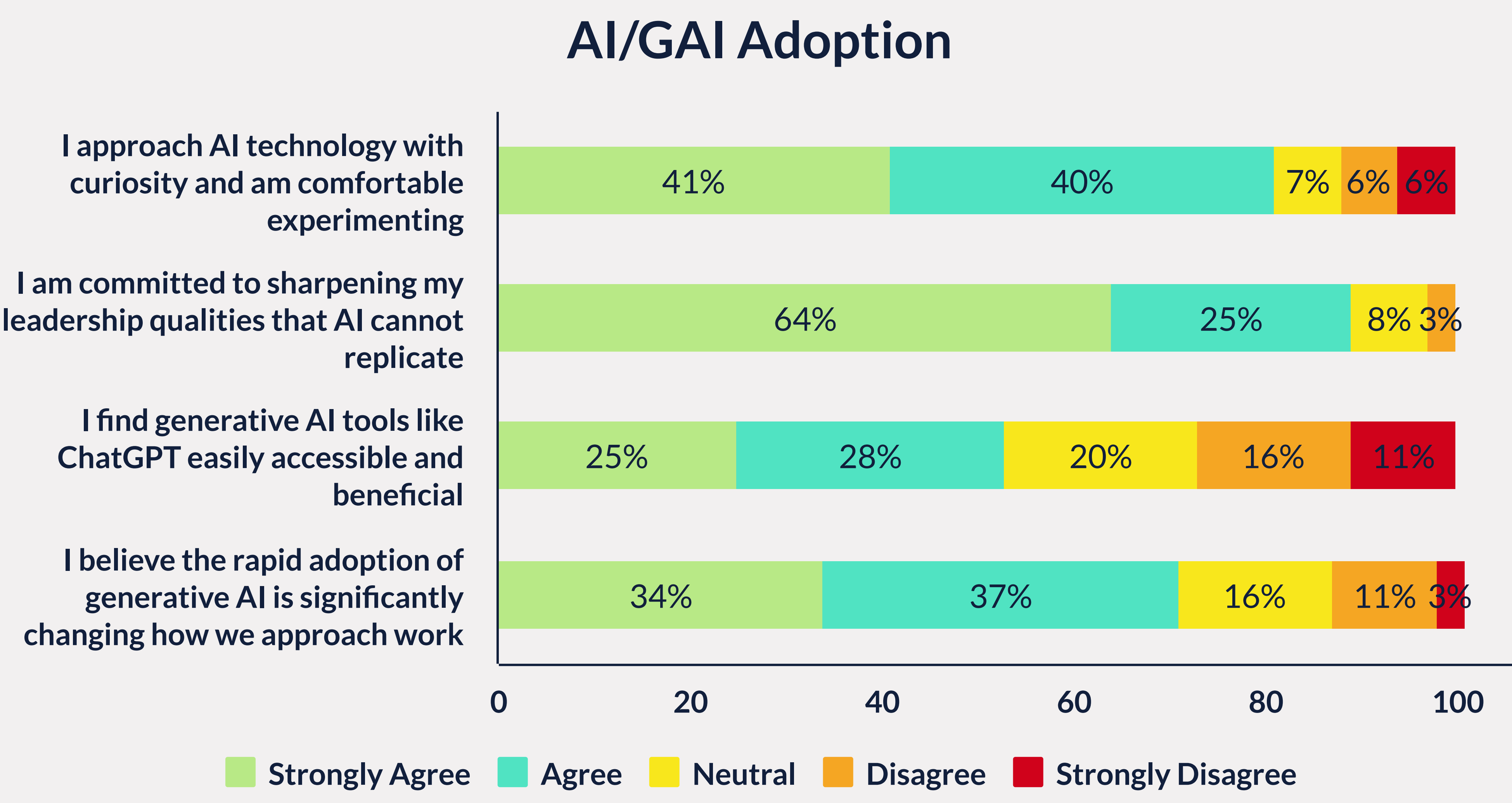
- There is widespread enthusiasm for PSHRA's role in encouraging innovation and forward-thinking, which can further support early adopters and ease the concerns/learning curve of late adopters
- These data confirmed the varied levels of AI comfort and revealed a desire for the PSHRA to provide members with a safe training environment, emphasizing the importance of gradual and supportive learning experiences
- There is a pervasive lack of in-depth, structured, and consistent education on practically implementing and utilizing AI tools while maintaining compliance with regulations such as HIPPA.
- In several instances, HR professionals are far more ready to adopt AI/GAI than their organizations

“If people are willing to go find it, I mean, that's how I figured it out. I was like, what's the best bet? Best way to write a prompt on AI. So I am teaching myself”

“I think it would be great if PSHRA had an online resource that was safe for members to walk through who haven't put their toes in the water yet. Just to gain a real foundation, sense of security, and familiarity to grow their confidence ”

Personal Views and Uses of AI/GAI

Understanding personal views on and uses of AI and GAI among public sector HR professionals is critical for assessing overall acceptance and enthusiasm for these technologies. HR professionals' perspectives can significantly influence the broader organizational culture and willingness to adopt AI. Positive views can drive innovation, while skepticism may hinder progress.



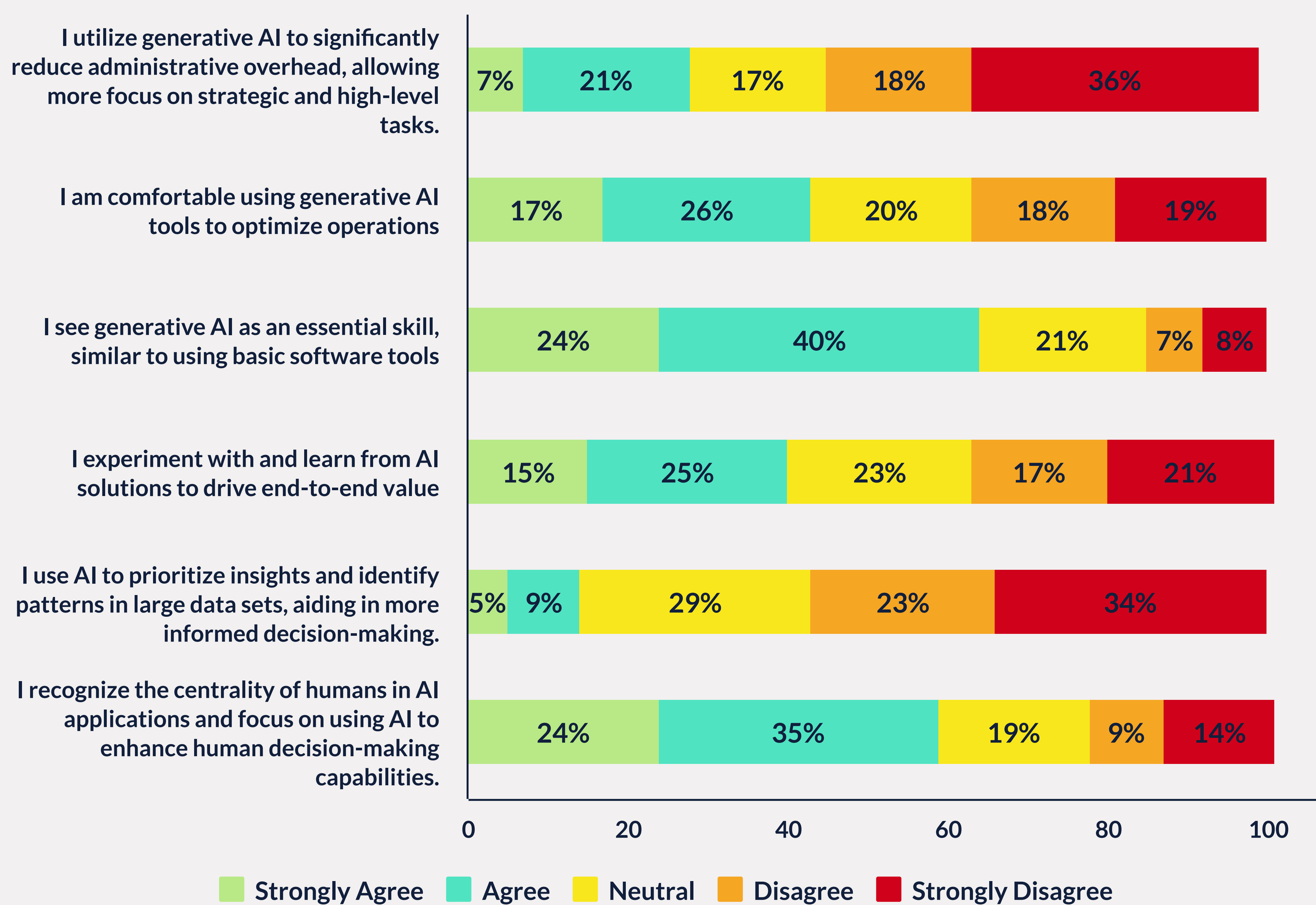
High AI and GAI adoption rates among HR professionals indicate a progressive approach essential for maintaining a competitive edge and improving public service delivery. While 40.9% are comfortable experimenting with AI, 18.4% are neutral or uncomfortable, highlighting a need for support and training. Notably, over 70% agree that GAI is significantly changing their approach to work.

Concerns about data use and storage are significant, with an average concern score of 7.11 out of 10, and trust in AI-generated decisions is low, averaging 3.68 out of 10, underscoring the need to address trust and data security issues.

Personal Views and Uses of AI/GAI Continued ...

The data reveals diverse views and uses of AI and GAI among HR professionals, highlighting opportunities and challenges. While 28% use GAI to reduce administrative overhead, most (54%) do not, indicating significant potential for increased adoption. Comfort with GAI is 43%, and 64% see it as an essential skill, yet only 32% actively experiment with AI, underscoring the need to foster a culture of innovation.

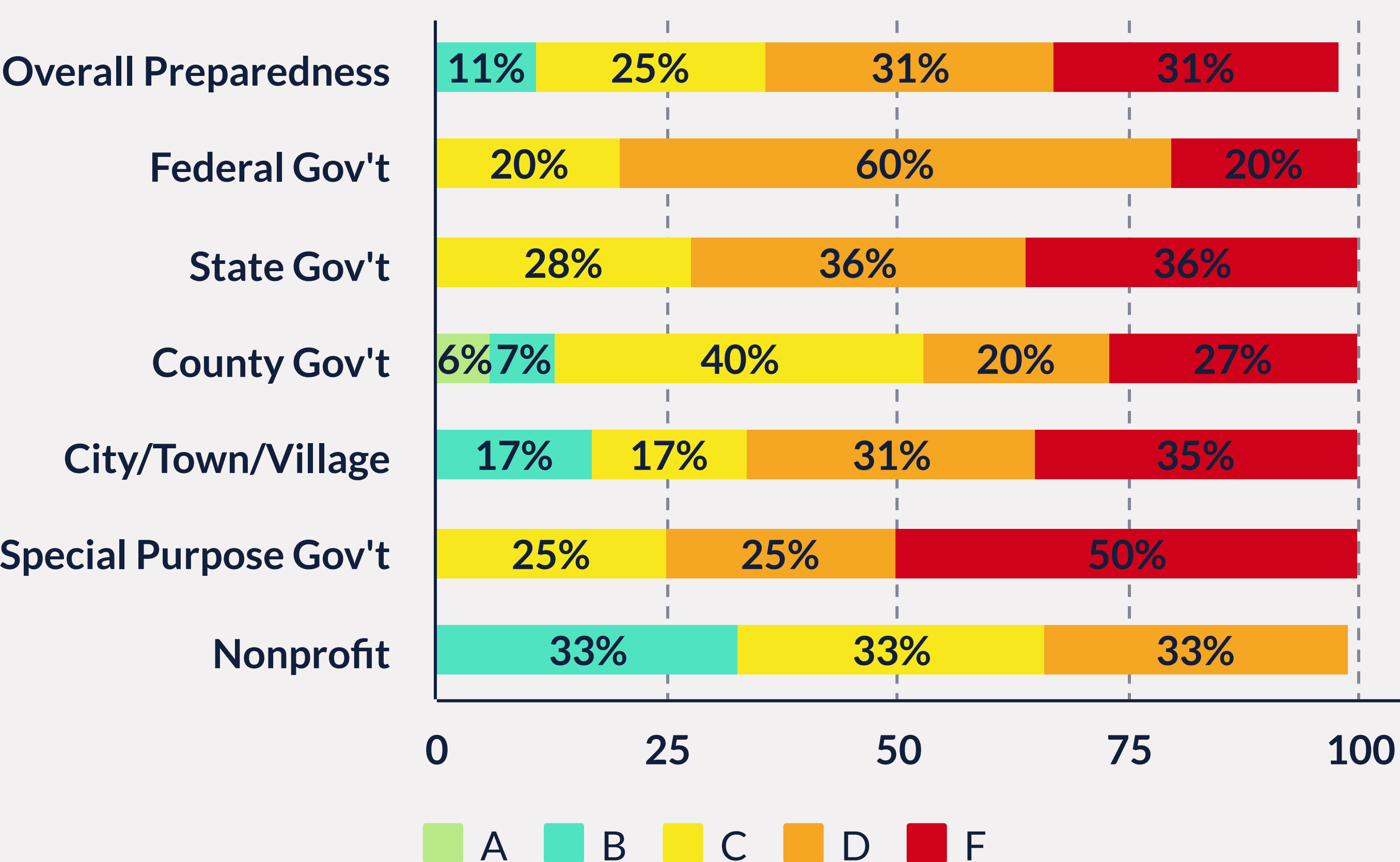
AI/GAI in Operational Efficiency, Transforming Work, Data Use, & Decision-Making



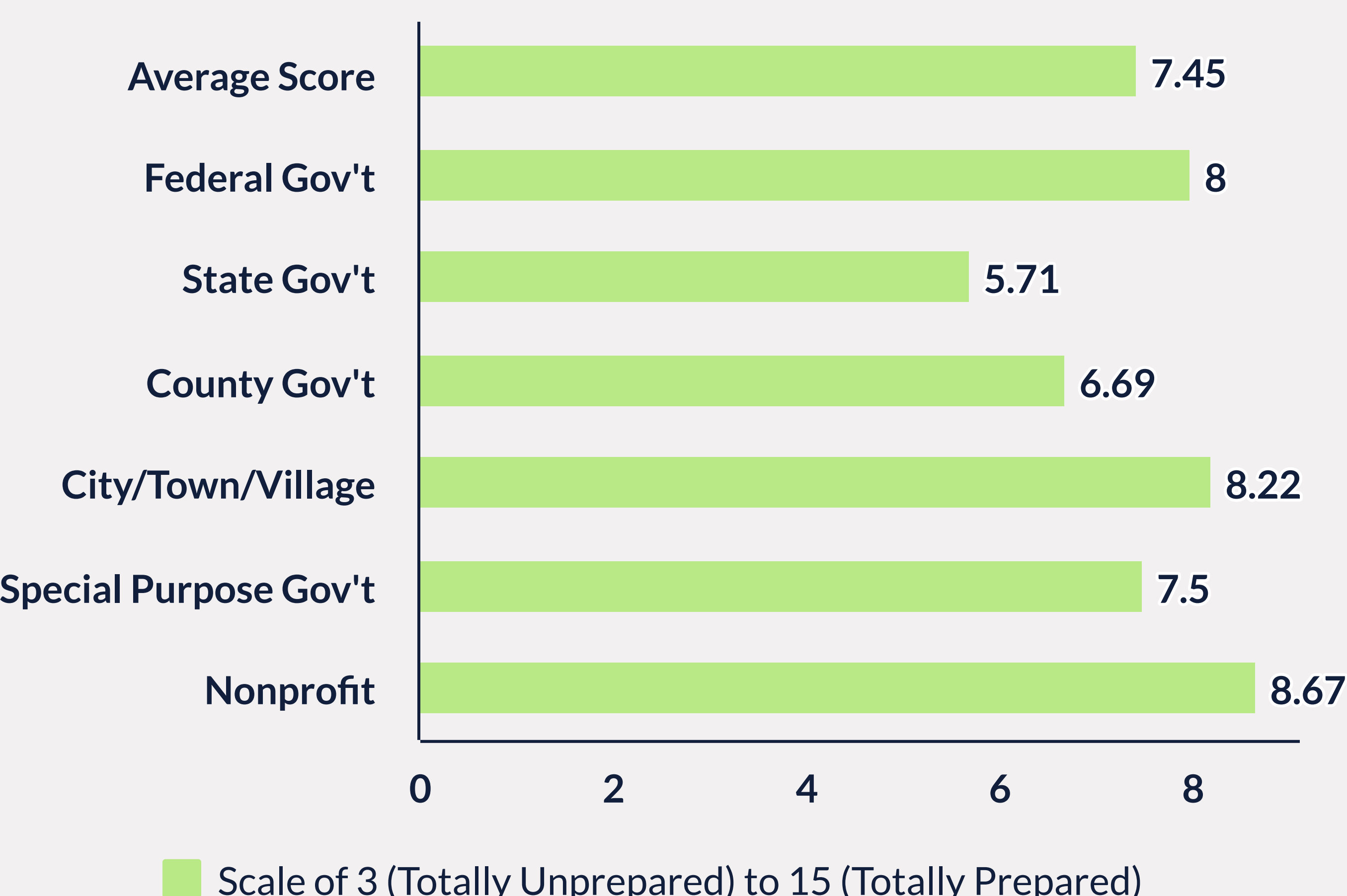
Despite varied comfort levels, 58% focus on the human-centric aspect of AI to enhance decision-making, though only 14% use AI to prioritize insights in large data sets. Analyzing AI's impact on data usage and decision-making shows its potential to improve accuracy, speed, and effectiveness, which is crucial for developing data-driven strategies and policies. These insights emphasize the need for targeted training, better AI integration, and strategic planning to maximize AI's benefits in the public sector.

Organizational Preparedness for AI/GAI

Organizational Grade on Policies and Practices with AI/GAI



HR Department Readiness



Is the public sector ready to integrate AI with its HR practices?

Evaluating organizational preparedness for AI adoption involves assessing infrastructure, resources, and strategic alignment to ensure support for AI initiatives. Strong policies and practices are essential for responsible AI deployment, maintaining public trust, and providing benchmarks for compliance and ethical standards. HR departments are critical in this readiness, leveraging AI to enhance recruitment, training, and performance management processes.

The assessment of organizational policies and practices highlights significant areas for improvement across all levels, indicating a need for strategic planning, infrastructure investment, and comprehensive training programs to enhance AI readiness.

Organizational Preparedness for AI/GAI Continued ...

Focus Group/Interview Insights

- Many public sector organizations are at an early stage of AI adoption, with significant contextual challenges such as resource constraints and the need for aligning AI with organizational culture and human judgment.
- Ethical and privacy concerns are significant barriers to AI adoption. Public sector HR professionals are wary of data privacy risks and the ethical implications of AI-assisted decision-making
- Implementing AI in the public sector faces significant resistance due to legacy mindsets and organizational inertia
- The fear of AI replacing human roles increases resistance to change, making it essential to communicate the supportive role of AI rather than a replacement

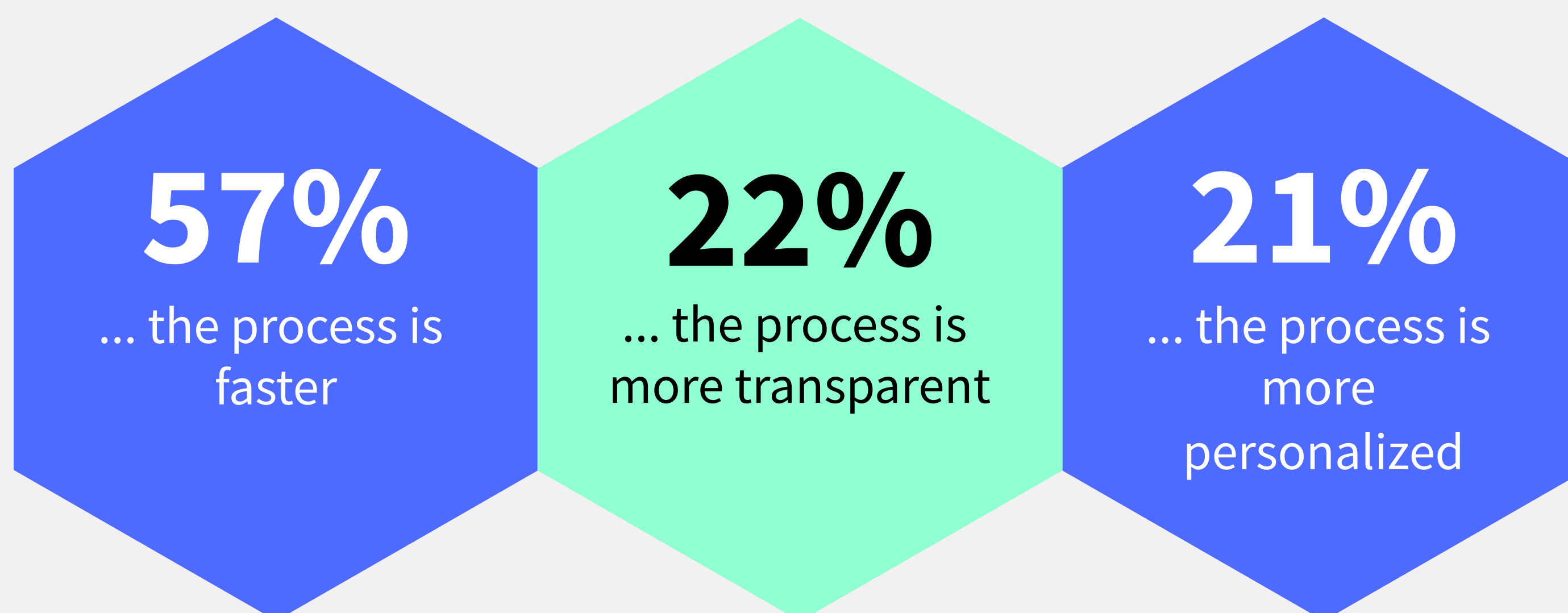
“We're not using a lot of AI tools and software right now. A lot of things we're doing manually or just beginning to embrace software a little bit more and allowing it to do certain things for us ...”

"I think it's gonna be really hard because again, so much of our work is confidential ... you can't really build long-standing case studies of 'if this, then that' because it's private, you can't put that out there in the world ..."

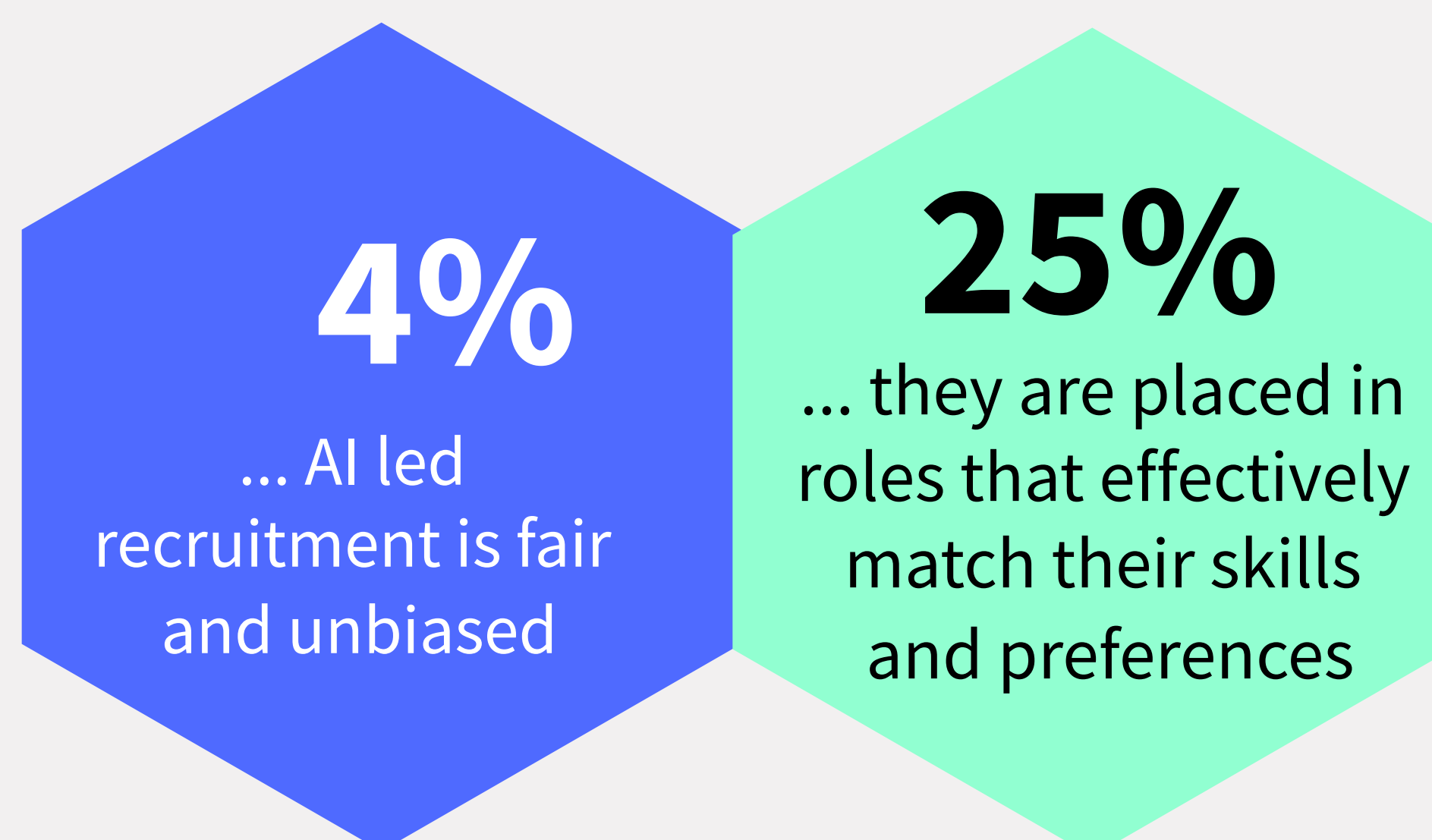
AI/GAI in Recruitment and Selection

Understanding how HR professionals perceive AI in recruitment and selection is important for gauging acceptance and potential resistance. Positive views can lead to more effective and efficient hiring processes, while negative views need to be addressed through education and demonstration of AI benefits.

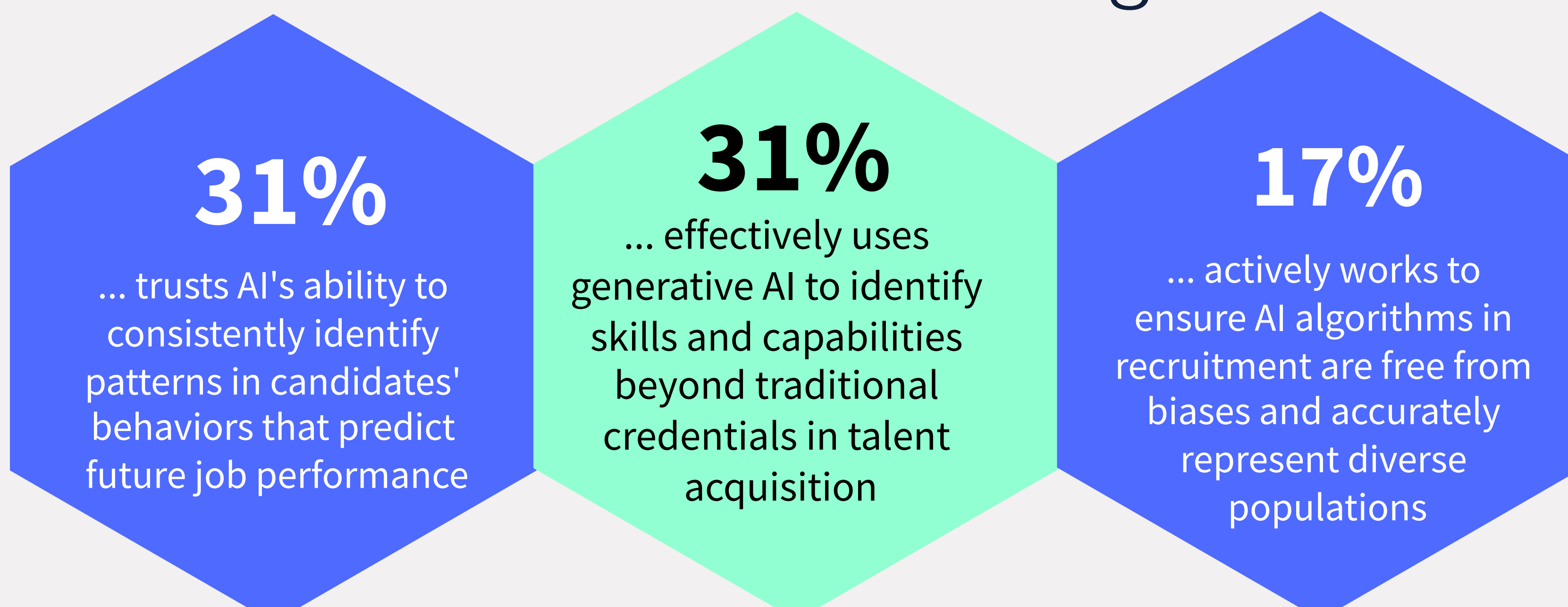
As there is more use of AI and GAI in recruitment and selection, I believe ...



Employees feel ...

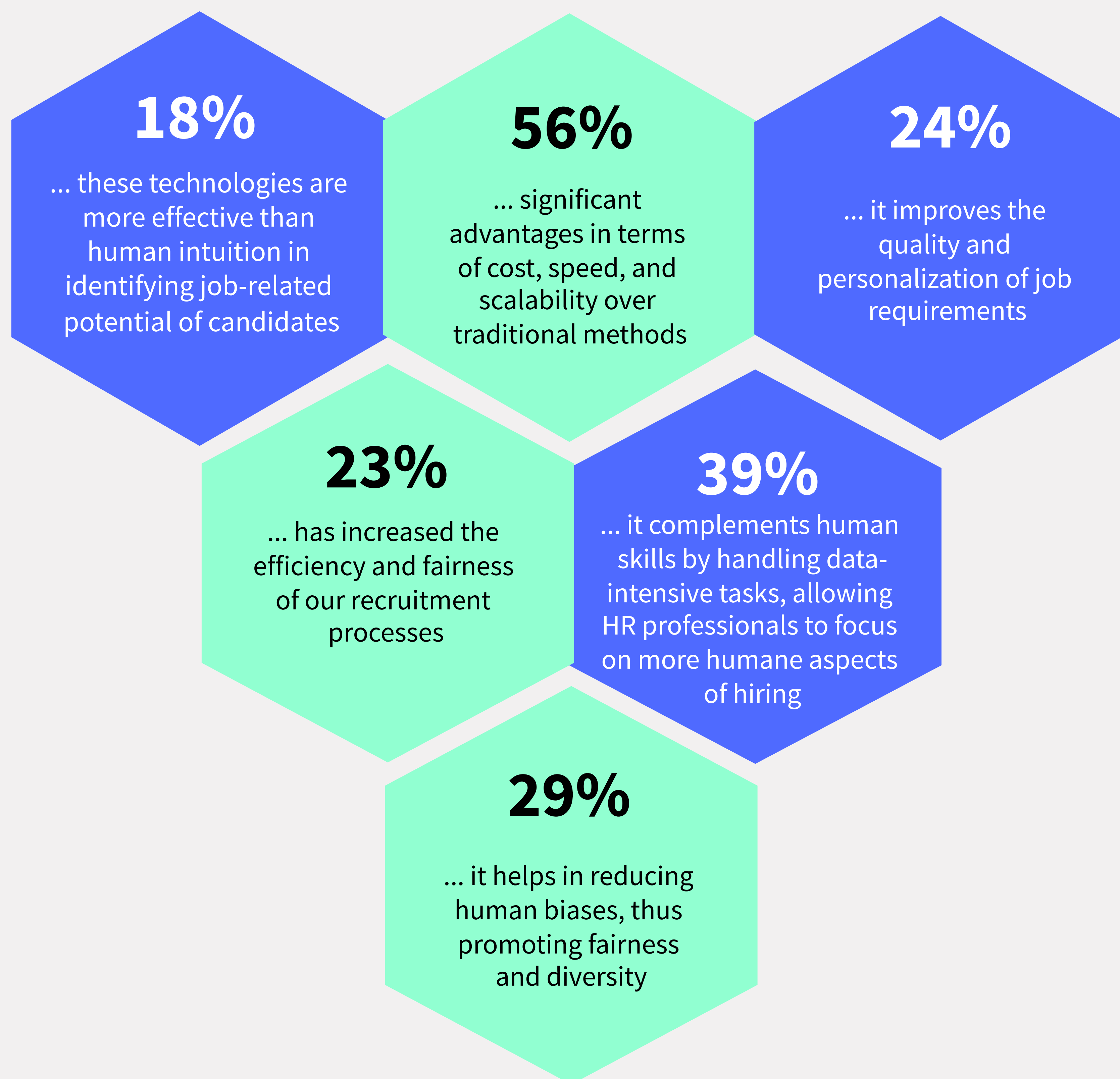


Talent Identification: Our organization ...



AI/GAI in Recruitment and Selection Continued ...

As there is more use of AI and GAI in recruitment and selection, I believe/I see ...



While 57% agree AI speeds up recruitment, only 22% find it more transparent, and 21% see it as more personalized, reflecting concerns about its dehumanizing effects. HR professionals believe their employees are skeptical, with only 4% thinking employees find AI-led recruitment fair and 25% believing roles match employee skills. Additionally, only 18% believe AI is more effective than human intuition in identifying candidates' potential, with just 3% trusting AI to predict job performance.

Mixed views exist on AI's impact on recruitment efficiency and fairness: 23% see improvements, 39% acknowledge its role in handling data-intensive tasks, and 65% support a hybrid AI-human approach. However, only 29% are confident AI reduces bias, and 18% believe their organizations ensure bias-free algorithms. These findings highlight the need for better AI training, transparent algorithms, human oversight, and rigorous testing to build trust and promote fair recruitment practices.

AI/GAI in Recruitment and Selection Continued ...

Focus Group/Interview Insights

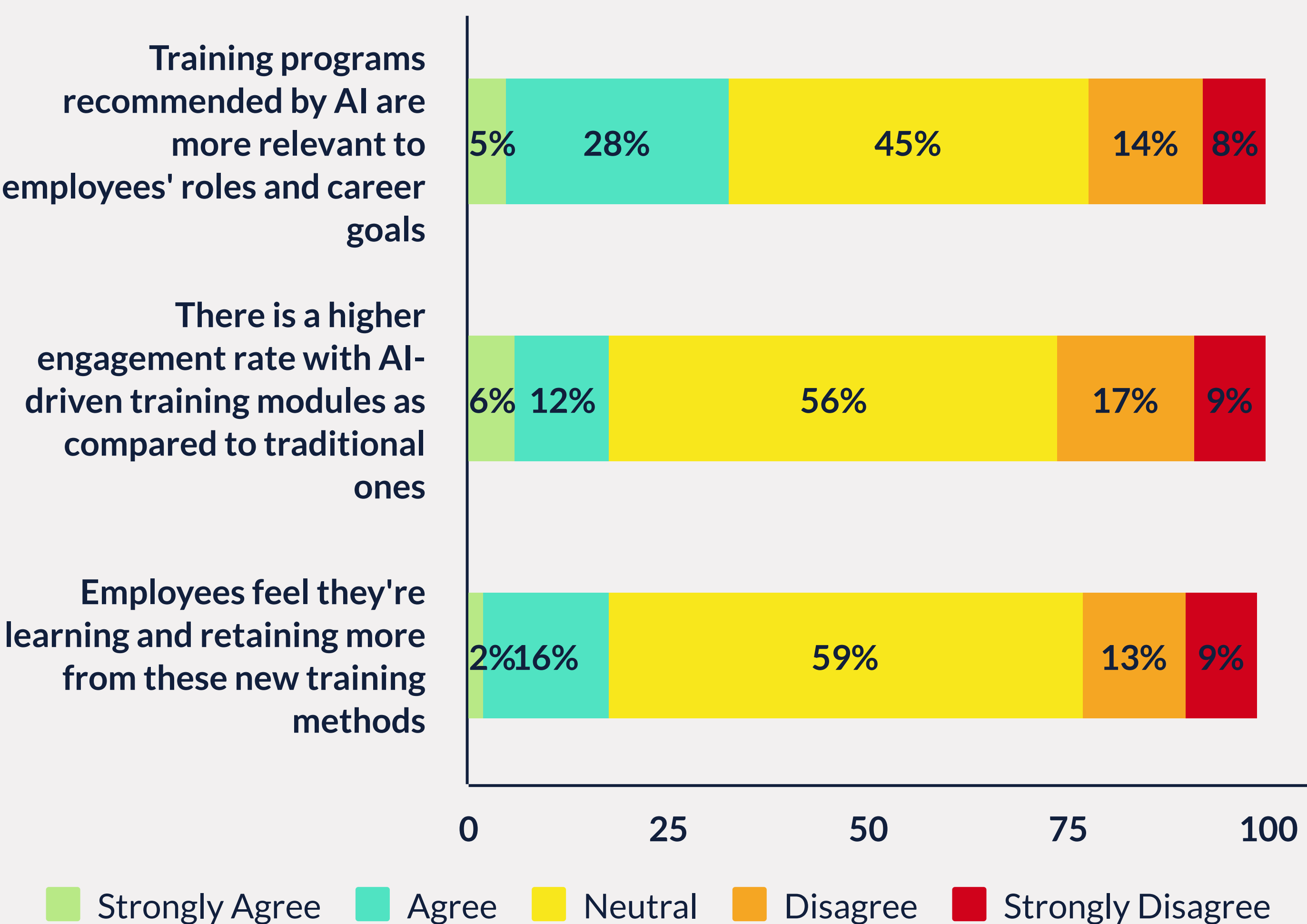
- AI tools often lack the nuanced judgment of human recruiters, making it difficult to identify the best cultural fit
- AI-led recruitment can feel impersonal, and only a small percentage believe AI recruitment is fair and unbiased
- Ensuring AI algorithms are transparent and regularly tested for biases is essential to maintain fairness in recruitment

“I think we're a long way away from being able to trust AI to handle complex things. HR exists to manage the gray area ... the example of screening applicants ... requires a lot of nuance ... making sure that the application of our policies and procedures is consistent with the law ...”

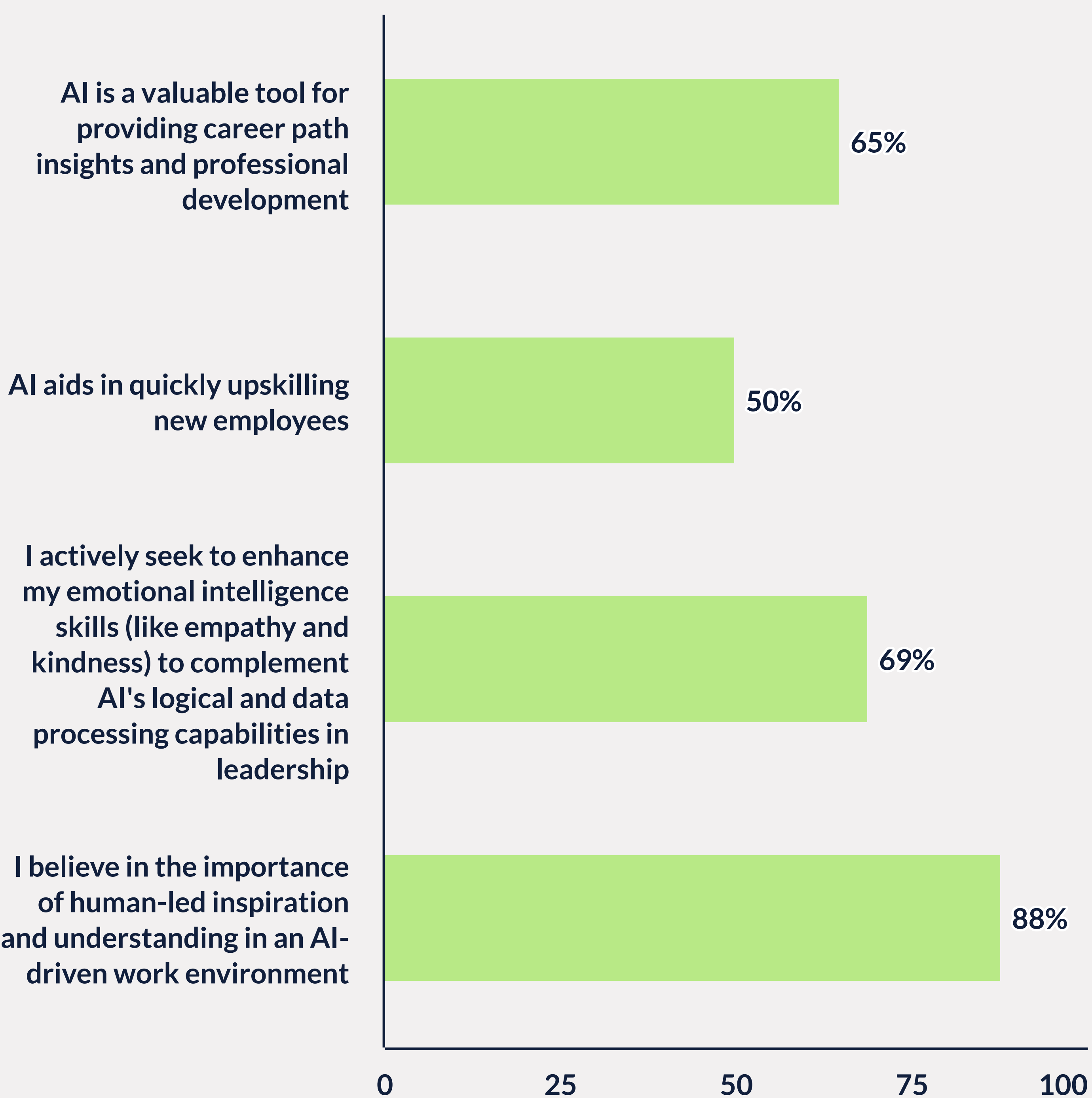
“We're not using it to go through applications. We're not using it in, you know, in those kinds of areas. You know, I have concerns with biases and things like that”

AI/GAI in Training & Development

AI's Impact on Training Programs



HR Department Readiness



Is AI being used to enhance training and professional development?

AI's role in training reveals its potential to enhance learning and development, which is crucial for optimizing programs and ensuring employees acquire future skills. While 33% find AI-recommended training more relevant, only 18% see higher engagement, indicating a need for broader experience with AI in training.

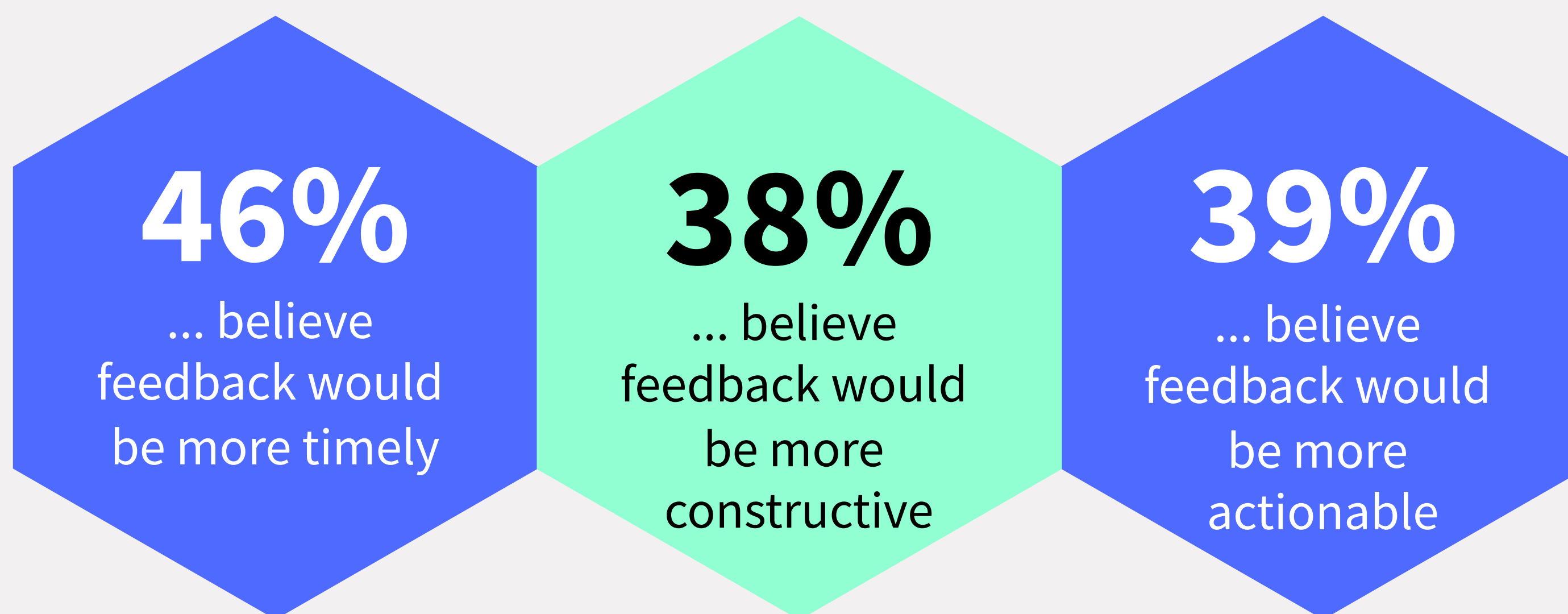
AI/GAI is highly valued in professional development, with 65% of HR professionals seeing it as a valuable tool for career guidance and 50% believing it helps quickly upskill employees. This datapoint highlights AI's potential to support personalized learning and continuous growth.

Additionally, 69% of HR professionals seek to enhance emotional intelligence to complement AI's capabilities, and 88% emphasize the importance of human-led inspiration in an AI-driven environment. These data reveal the need to balance technical and human skills in leadership to foster effective and inspirational leadership in the public sector.

AI in Performance Evaluations

Comparing views on performance evaluations with and without AI helps determine the perceived fairness, accuracy, and effectiveness of AI-driven evaluations. This understanding is essential for ensuring employees trust and value performance management systems.

With the assistance of AI, I ...



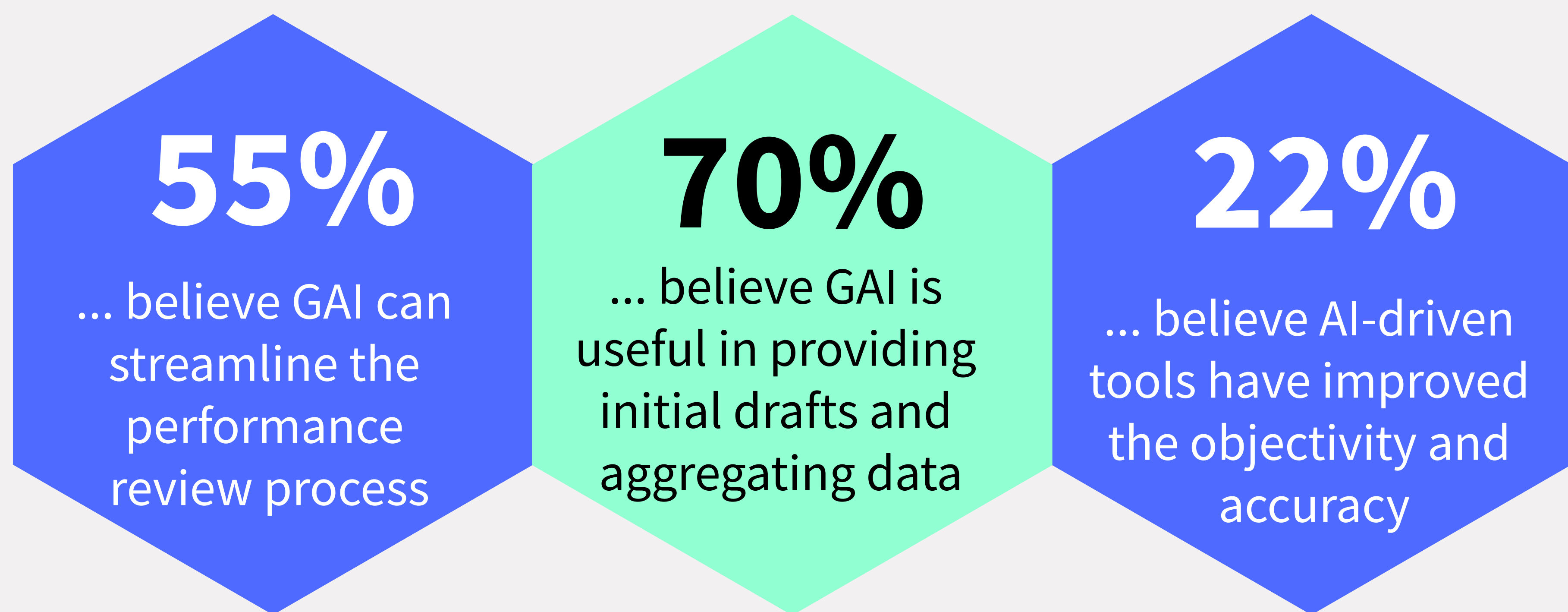
HR professionals see minimal difference between evaluations with and without AI.



The data shows skepticism among HR professionals about employees' views on AI-driven evaluations. High neutral response rates suggest uncertainty about AI's role in evaluations. Thus, to build trust among employees, better communication and demonstration of AI's benefits, as well as addressing concerns about objectivity and career impact, are needed.

AI in Performance Evaluations Continued ...

GAI and Evaluation Efficiencies, I ...



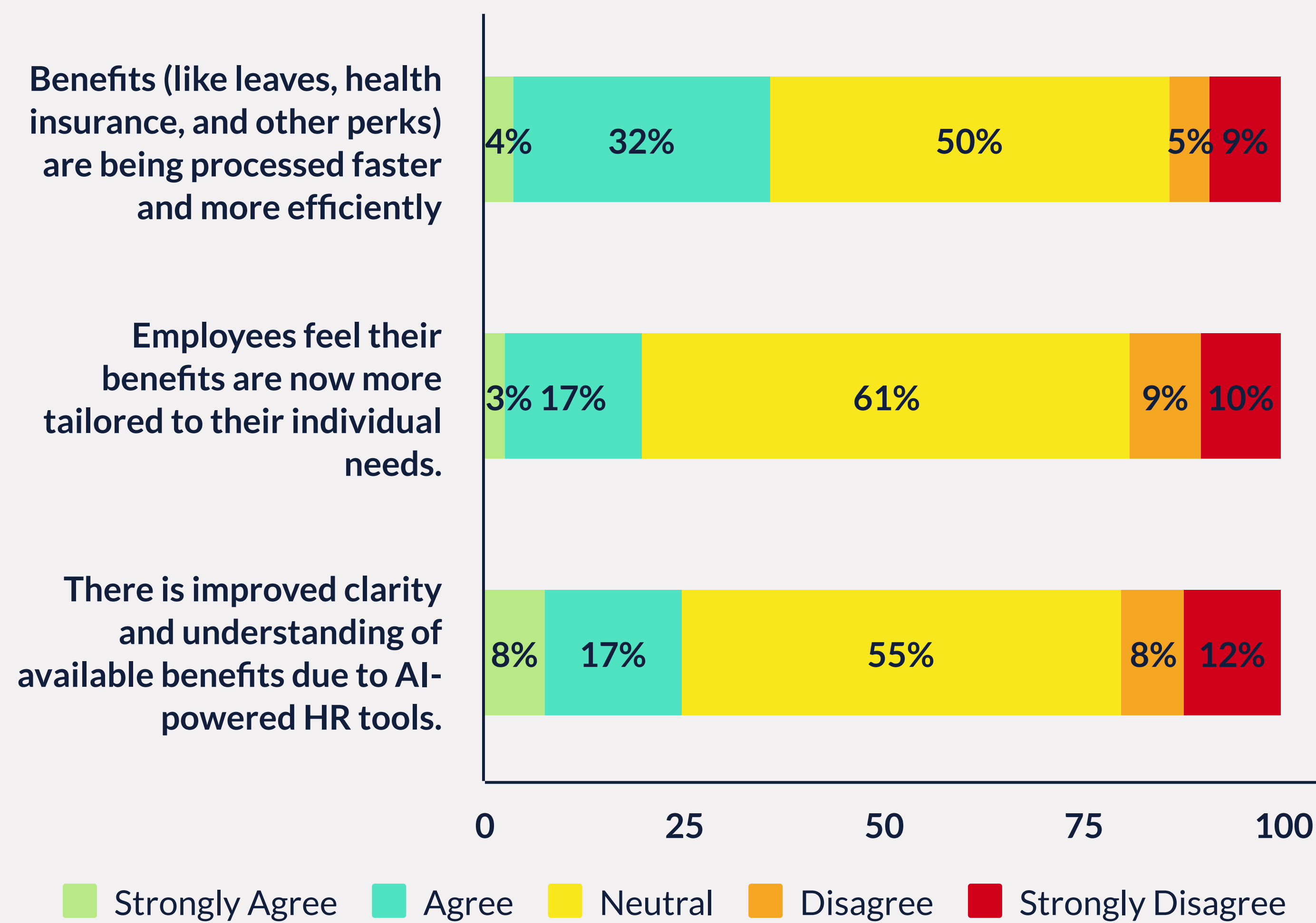
The data indicates that many HR professionals recognize the benefits of using AI for performance reviews, with 55% believing AI can enhance efficiency and 70% appreciating its help with drafts and data aggregation. However, only 22% feel that AI has improved the objectivity and accuracy of evaluations, and 58.3% remain neutral. Thus, there is a disconnect between AI's perceived administrative strengths and concerns about its fairness and precision.

Developing transparent algorithms and providing real-world demonstrations of AI's accuracy are essential. These efforts could build confidence in AI's evaluative capabilities so organizations can better leverage AI to create fairer, more precise performance reviews, ultimately enhancing trust and acceptance among HR professionals and employees.



AI/GAI in Benefits

With AI ...



Is AI improving benefits administration?

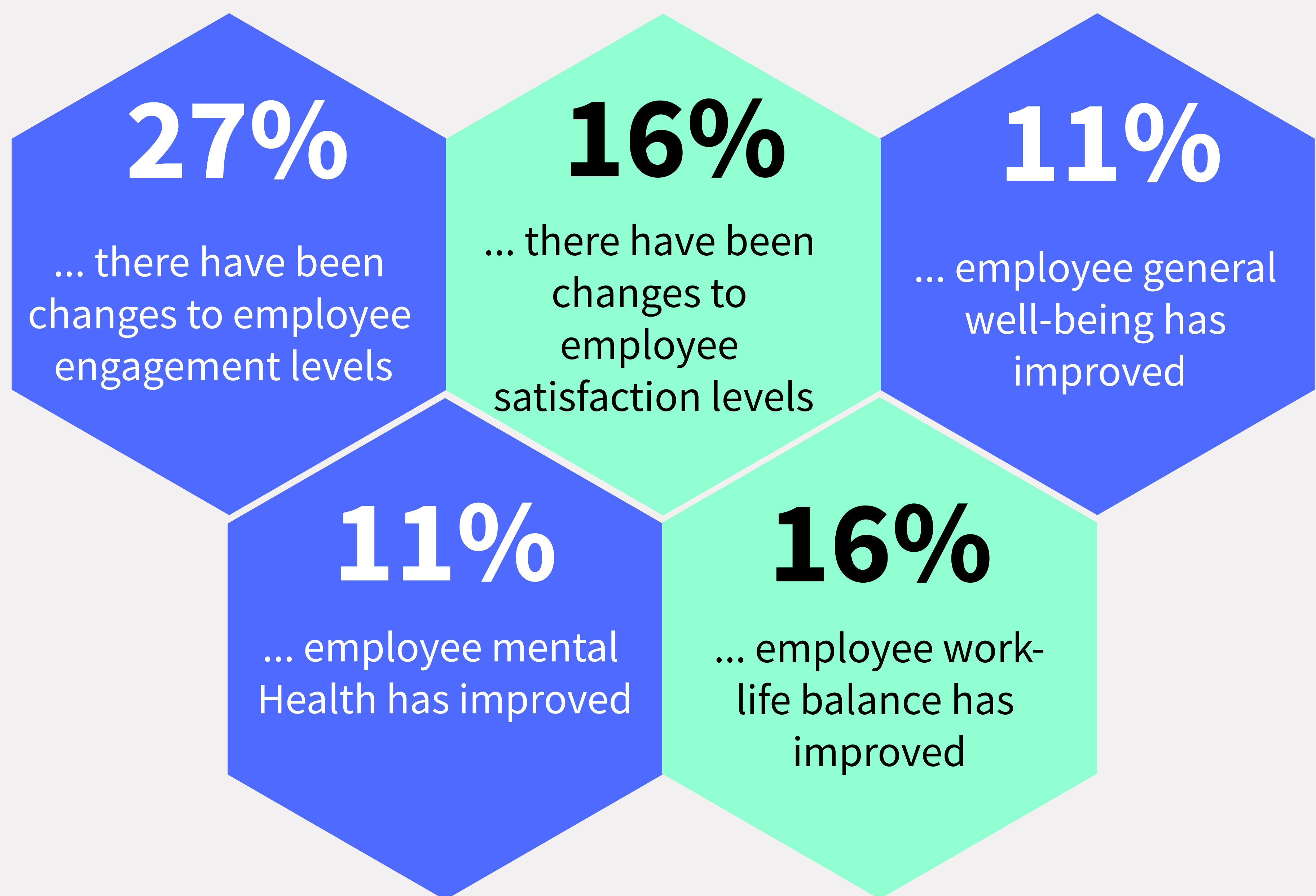
Exploring AI in benefits administration reveals its potential to enhance efficiency, accuracy, and employee satisfaction. While many HR professionals believe AI has expedited benefits processing, many remain neutral, suggesting limited experience with AI in this area. Only a minority think AI has tailored benefits to individual needs or improved clarity and understanding.

These findings imply that for AI to optimize benefits management effectively, organizations need to increase familiarity and experience with AI tools. Providing comprehensive training and demonstrating the tangible benefits of AI can help build confidence, leading to better employee well-being and satisfaction.

AI in Employee Relations & Well-Being

Assessing AI/GAI's impact on employee relations helps identify changes in workplace dynamics, communication, and collaboration, which are crucial for maintaining a positive work environment. Additionally, investigating changes in employee wellness due to AI highlights its potential benefits and challenges, which are essential for developing strategies to support well-being in a technology-driven workplace. Understanding these factors is vital for effectively managing employee relations and ensuring a supportive environment.

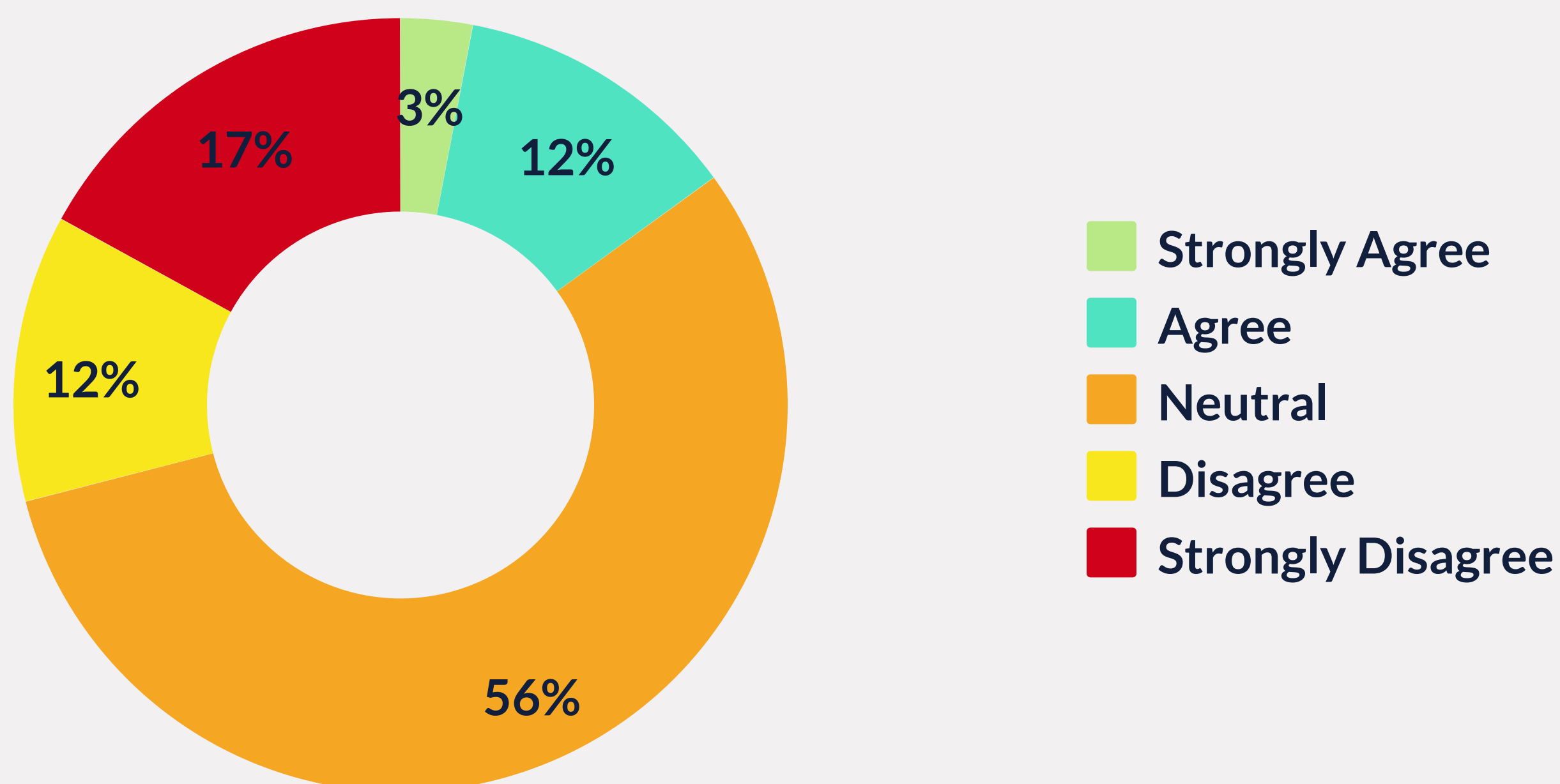
Since the introduction of AI tools in HR ...



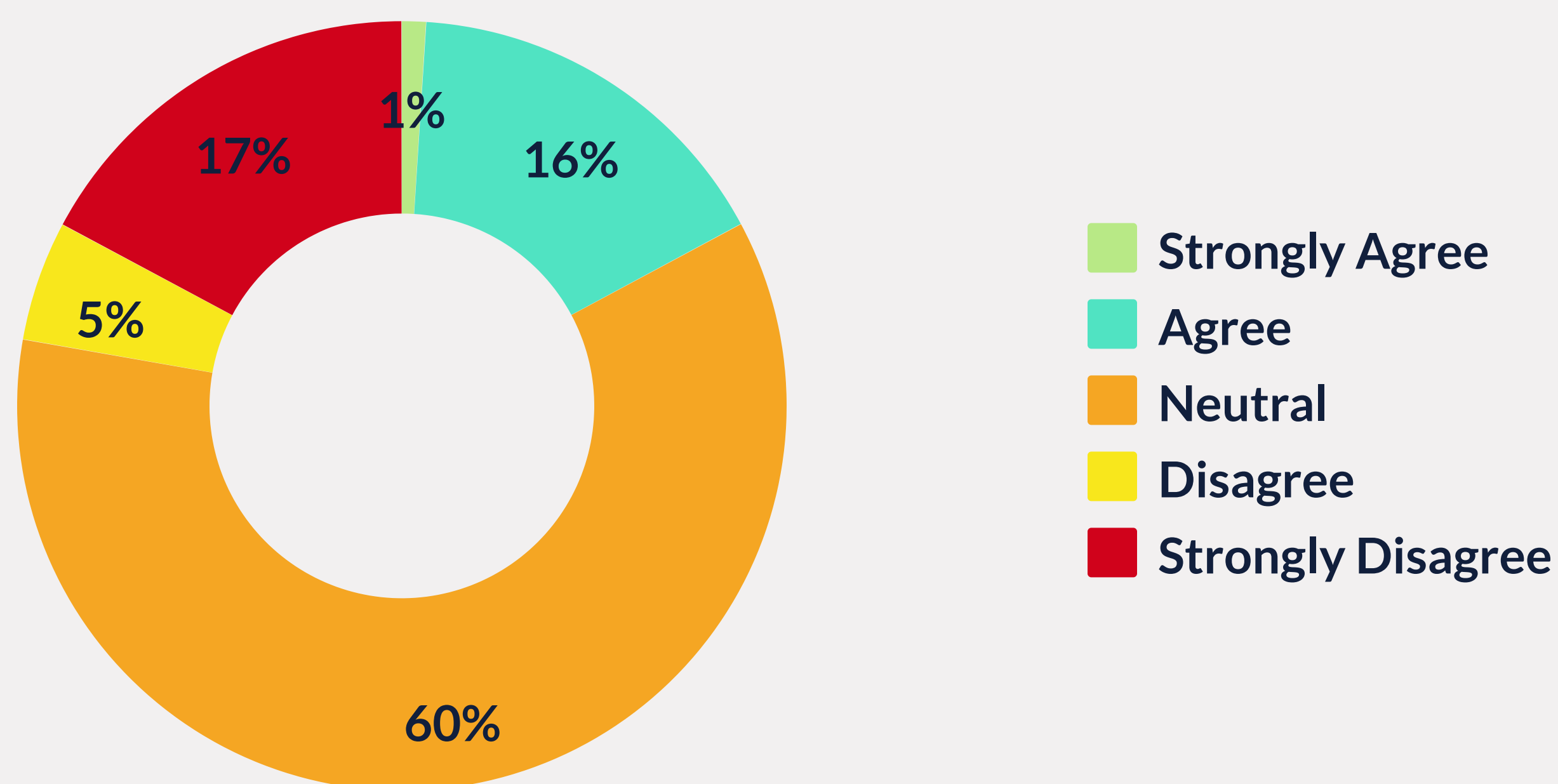
Assessing AI/GAI's impact on employee relations helps identify changes in workplace dynamics, communication, and collaboration, which are crucial for maintaining a positive work environment. However, only 27% believe AI addresses employee queries and concerns more promptly, and just 16% and 14% see improvements in engagement and satisfaction levels, respectively. The large neutral responses suggest a lack of understanding or experience with AI's potential. Furthermore, about 80% believe AI has had no impact on well-being, mental health, or work-life balance, indicating that current AI implementations do not effectively address these critical aspects of employee experience. These findings highlight the need for more targeted AI solutions to enhance employee well-being and better communication about AI's benefits to foster trust and utilization.

AI/GAI Impact on Daily Work

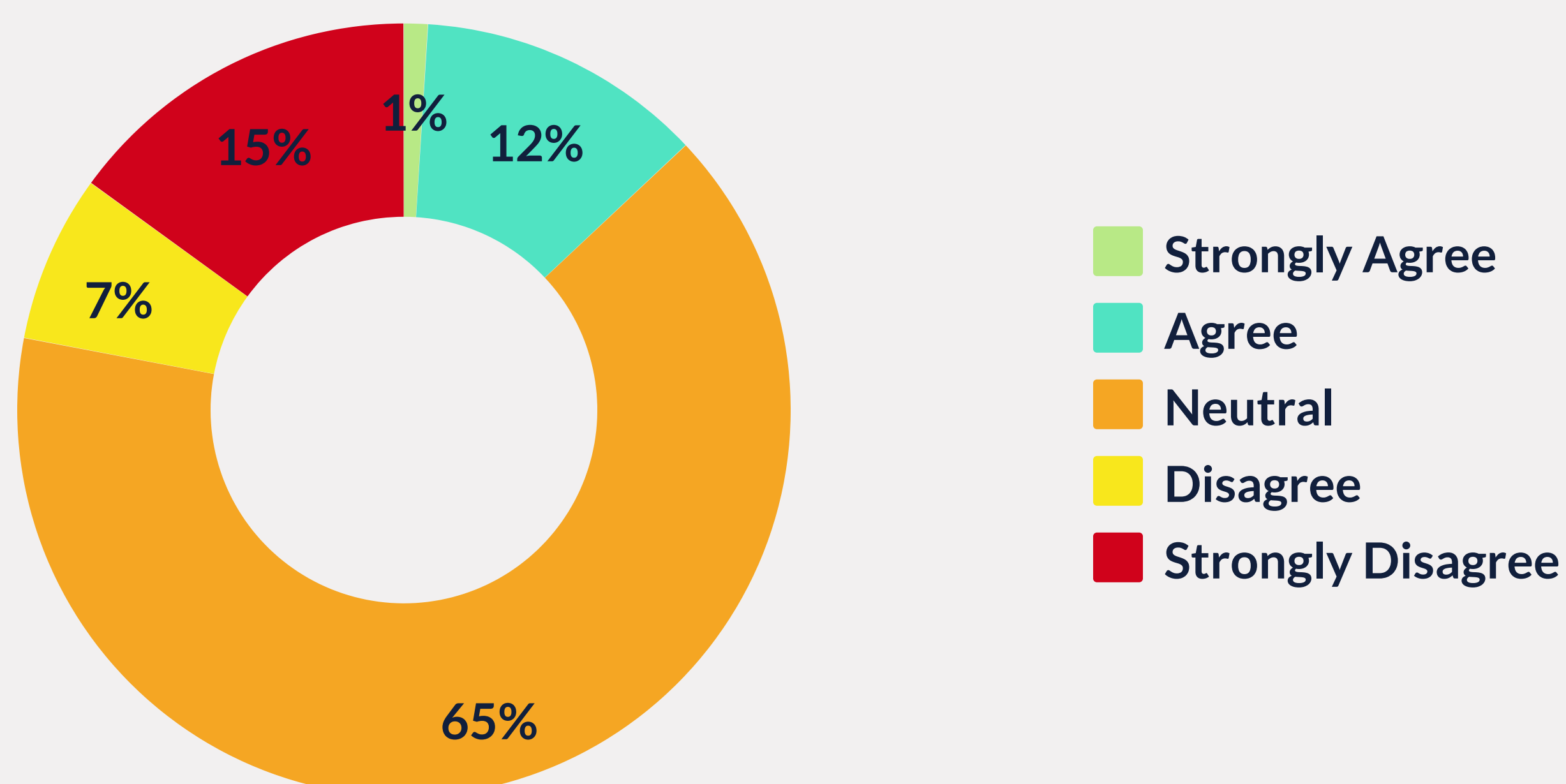
Job roles and responsibilities undergone significant changes due to AI integrations



Employees feel they have autonomy in their tasks due to AI integrations



Collaboration b/w teams or departments has been 'positively' affected by AI integrations



Is changing the way we work?

Examining AI's daily work impacts provides crucial insights into how these technologies alter job roles, responsibilities, and workflows. This understanding is essential to preparing employees for these changes and enabling them to leverage AI effectively. However, only 15% of HR professionals believe job roles have significantly changed due to AI, and just 17% think employees feel more autonomy with AI. Additionally, only 13% see AI positively affecting collaboration.

These low percentages highlight the need for more transparent communication and demonstration of AI's potential to transform job roles and enhance collaboration. Organizations must focus on illustrating the tangible benefits of AI integration, ensuring employees understand how AI can improve their work experiences and foster a more collaborative environment. This approach will help build confidence in AI and support its practical implementation in the workplace.

Other AI/GAI uses ...

Focus Group/Interview Insights

- Need for Human Oversight
- AI is a Tool, not a Replacement, with risks of creating more work, not less
- AI can reduce workload stress and burnout by automating routine tasks, thereby improving employee well-being
- Automating routine tasks can help reduce stress and errors, improving overall well-being

“We use it, and we understand that it is a tool and that we must do quality review quality assurance afterward check it because AI lies not on purpose, but you know it goes back. It fills in the blanks ... ”

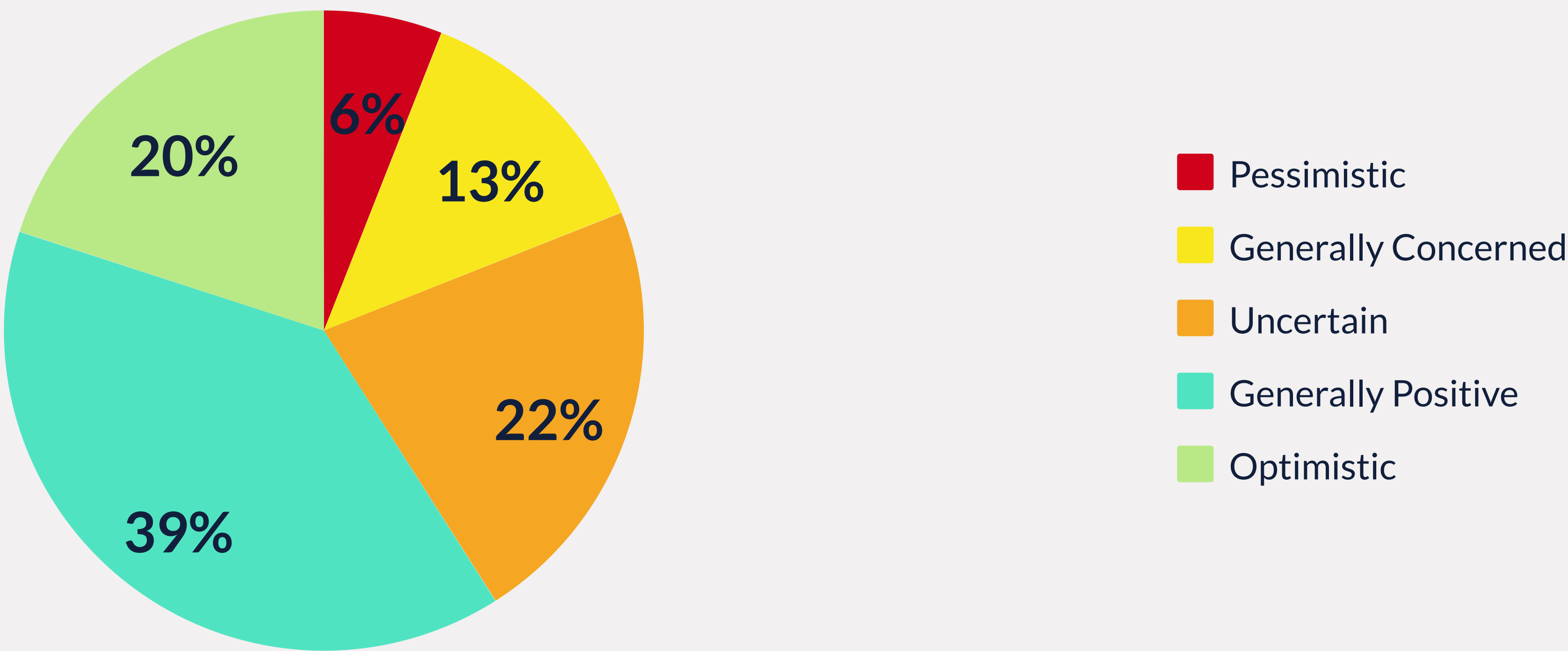
"Virtual assistants can't handle the complexity and nuance of HR tasks ..."

"There are a lot of plus sides to having routine tasks that you do all the time become automated. It's faster, easier, and error rates go down ."

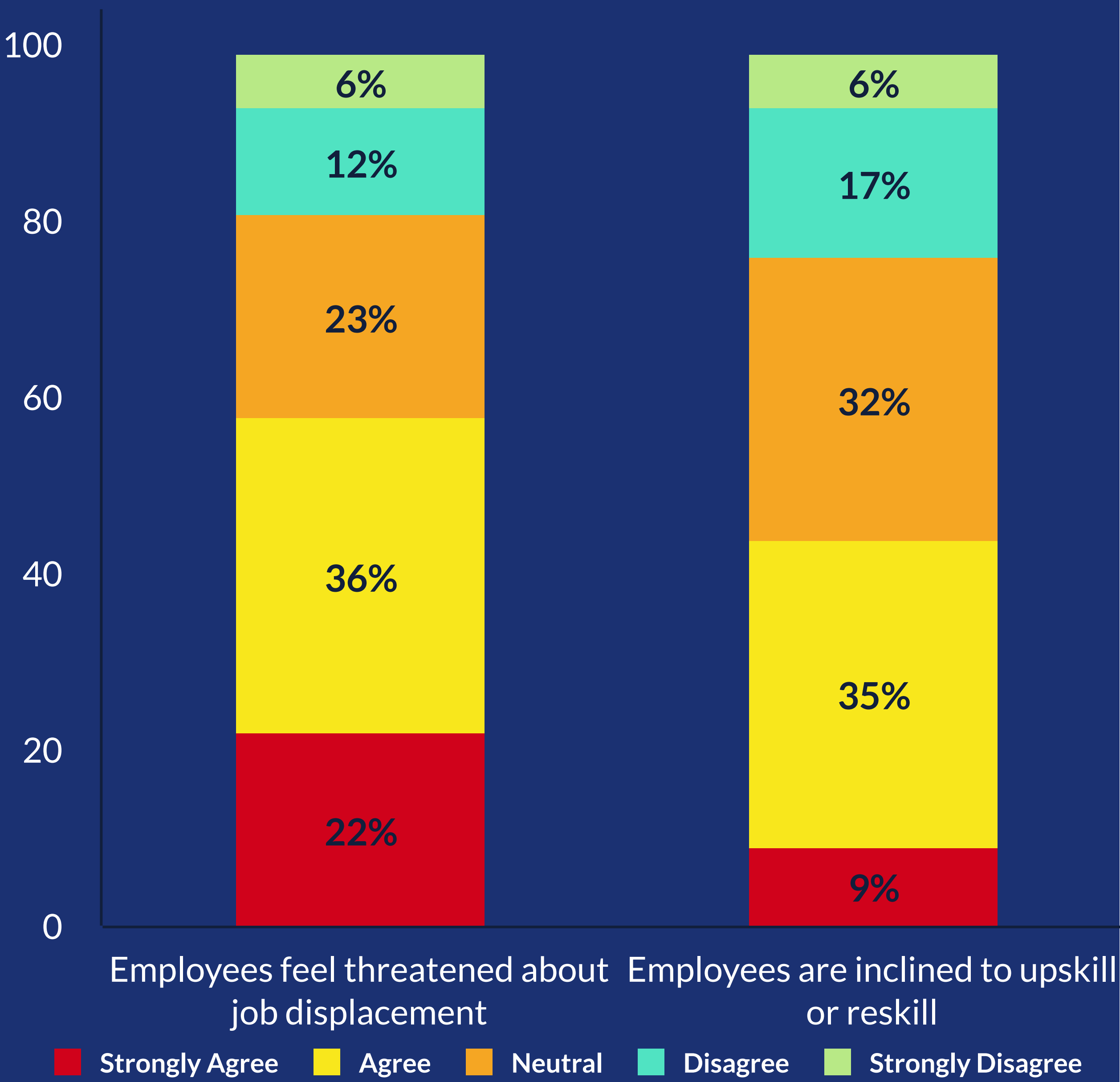
General Future Outlook

Exploring the general outlook on AI/GAI provides insights into expectations, hopes, and concerns regarding these technologies. Understanding this outlook is essential for strategic planning and ensuring the organization is well-positioned to navigate future challenges and opportunities.

What best describes your view on the future of the profession, policies, and practices given the integration and incorporation of AI and GAI in Human Resources?



Due to AI Integration & Related Changes



While nearly 60% of HR professionals are optimistic about AI integration, 55% believe employees feel threatened by potential job displacement due to AI. Despite these fears, 44% of HR professionals think employees are inclined to upskill or reskill in response to AI-driven changes. These data highlight the need for effective communication and robust support systems to address job displacement concerns. Additionally, fostering a culture of continuous learning will be essential to help employees adapt to new technologies and maintain their relevance in an AI-enhanced workplace.

Conclusion

This comprehensive study on the impact of artificial intelligence (AI) and generative AI (GAI) on public-sector human resource (HR) professionals reveals several critical insights:

- **Varied Levels of AI Readiness and Adoption:** There is a considerable difference in the readiness and adoption of AI technologies among HR professionals. While some demonstrate a high level of comfort and willingness to embrace AI, a significant portion remains hesitant or indifferent. This disparity indicates an urgent need for targeted interventions to foster more uniform AI adoption across the sector.
- **Skepticism About AI Effectiveness:** The findings reveal significant skepticism regarding AI's ability to improve recruitment transparency, personalization, and overall effectiveness. This skepticism is compounded by low trust in AI-generated decisions, highlighting a critical need for greater transparency and validation of AI processes to build confidence among HR professionals.
- **AI in Professional Development:** AI is recognized as a valuable tool for professional development and career guidance, yet engagement with AI-recommended training programs remains low. The lack of engagement suggests a need for better integration of AI in learning management systems and more compelling evidence of its benefits to drive higher engagement.

Conclusion Continued

- **Concerns Over Performance Evaluations:** The role of AI in performance evaluations is met with mixed reactions. While it is appreciated for improving efficiency and data management, concerns about its objectivity and fairness persist. These concerns point to the necessity for developing more transparent and accountable AI systems that can gain the trust of HR professionals and employees alike.
- **Limited Impact on Employee Relations:** The study reveals minimal impact of AI on improving employee relations, well-being, and job satisfaction. The prevalent neutral or negative responses suggest that current AI implementations are not adequately addressing the human-centric aspects of HR, which are crucial for maintaining a positive work environment.
- **Inadequate Integration in Daily Work:** AI's influence on altering job roles and improving collaboration remains limited. The level of integration underscores the need for more effective communication and demonstration of AI's potential to enhance daily workflows and foster a collaborative organizational culture.
- **Concerns About Job Displacement:** Despite overall optimism about AI integration, there is significant concern about job displacement among employees. This concern highlights the importance of robust support systems and effective communication strategies to address these fears and promote a positive outlook towards AI-driven changes.

Recommendations

The study underscores PSHRA's pivotal role in driving AI adoption and offering essential guidance and strategic policy frameworks.

Enhance Training and Development:

- Develop comprehensive AI training programs for HR staff, focusing on technical skills and ethical considerations.
- Encourage continuous learning and development to keep pace with AI advancements.

Establish a Robust Policy Framework:

- Create policies that guide AI usage, comprehensively addressing privacy, security, and ethical issues.
- Ensure these policies are adaptable and can evolve with technological changes.

Foster Human-AI Collaboration:

- Design AI systems that complement human skills, ensuring they augment rather than replace human functions.
- Implement AI tools that support HR staff in routine tasks, allowing them to focus on strategic and interpersonal activities.

Strengthen Organizational Change Management:

- Engage leadership to champion AI initiatives, facilitating a culture that embraces technological change.
- Conduct change management activities that include communication strategies, staff engagement, and feedback mechanisms to address concerns and resistance effectively.

Monitor and Evaluate AI Integration:

- Establish metrics to assess the effectiveness and impact of AI technologies on organizational performance and employee well-being.
- Regularly review AI systems to ensure they meet operational needs and ethical standards, making adjustments as needed.

Promote Public and Private Collaboration:

- Collaborate with technology providers and other sectors to share best practices and innovations in AI.
- Leverage partnerships to enhance resources, expertise, and governance around AI applications.