# Getting Comfortable with AI Agents: An HR Leader's Guide





# Meet Our Team



## TRISH STEED CO-FOUNDER, CEO

Trish Steed is the CEO and Chief Strategist for <u>H3 HR Advisors</u>, and co-host of the <u>At Work in America</u> podcast on the HR Happy Hour Network alongside <u>Steve Boese</u>. She is also the creator of the H3 LIVE! vlog.

A former HR executive and HCM product leader with over 20 years of experience in Big 4 public accounting, PR, healthcare, manufacturing, and IT, Trish brings that knowledge to her clients as an analyst and advisor.



## **STEVE BOESE** CO-FOUNDER, PRESIDENT

Steve is one of the Co-Founders of H3 HR Advisors, a leading HR technology advisory and services consultancy.

Since 2013, Steve has been the Program Chair and host of the <u>HR Technology</u> <u>Conference</u>, the world's largest gathering of the global HR Technology community, and authors a monthly HR Technology Column for <u>Human</u> <u>Resource Executive magazine</u>. He is a frequent speaker and author on topics in Human Resources, HR technology, and the world of work.



## KAREN STEED DIRECTOR, CLIENT EXPERIENCE

Karen Steed is the Client Experience Director & Learning Analyst of H3 HR Advisors.

Karen works with client teams to promote their organizational needs seamlessly and effectively, through strategy and planning. She is also responsible for the HR Happy Hour Network media production and promotion. Previously, Karen served 15 years as an elementary educator and early childhood administrator. Her focus is on learning solutions that are engaging and practical.

# **TABLE OF CONTENTS**

- 03 Introduction
- What are Al Agents?
- O6 HR Technology Vendors with Al Agents
- Reliability of Al Agents
- Impact on Leadership and Work
- Ensuring Data Accuracy
- 7 Conclusion

# Introduction

Let's face it - Al agents are transforming HR whether we're ready or not. As professionals who've been in the HR tech space for decades, we've seen technologies come and go, but nothing has had the potential to reshape our profession quite like Al. The organizations gaining competitive advantage right now are the ones embracing these tools thoughtfully, not the ones waiting on the sidelines until everything is "perfect."

In our conversations with CHROs and HR leaders across industries, we're hearing the same questions again and again: What exactly are these Al agents? Which vendors have something real versus just marketing hype? How do we know if we can trust the output? And perhaps most importantly - how will this change how our people work?

	H3 HR
The Challenge	Our Solution
Overwhelming Al hype	Clear explanation of what AI agents really do
Hard to tell marketing from real capability	Trusted vendor examples and use cases
Uncertainty about Al's reliability	Practical steps to build confidence and oversight

This report cuts through the noise to give you practical insights on AI agents in HR - not theoretical possibilities for the distant future, but real capabilities you can implement today. Our goal is to help you get comfortable with these technologies so you can make informed decisions for your organization.

# What Are Al Agents?

Basically, these are software entities designed to get things done on your behalf without constant supervision. Unlike the basic automation we've had for years, these tools can learn, adapt, and make decisions based on data patterns and predetermined rules.

What makes today's AI agents different from previous technology solutions is their ability to understand context. The best AI agents in HR have a few distinctive traits that separate them from regular software. They work autonomously, making decisions without someone having to monitor every step. They demonstrate actual intelligence by analyzing patterns and making recommendations that make sense in context. Most visibly, they communicate through conversational interfaces that feel natural - you can simply ask questions the way you would to a colleague.



These AI agents are goal-oriented, focused on accomplishing specific objectives whether that's scheduling an interview, analyzing survey feedback, or recommending learning resources based on an employee's career path. And the most sophisticated ones are improving over time as they handle more interactions – unlike traditional software that works exactly the same way forever unless someone manually updates it.

In HR technology, we're seeing several types of AI agents gaining traction.











What powers these systems is a combination of technologies working together: machine learning algorithms that learn from data patterns, natural language processing that understands human communication, robotic process automation handling rule-based tasks, and increasingly, large language models that generate remarkably human-like responses to complex questions.

# **HR Technology Vendors with AI Agents**

Let's talk about who's delivering real AI agent capabilities today - not just adding "AI" to their marketing materials. Having evaluated hundreds of HR tech solutions over the years, we can tell you the landscape is evolving rapidly, but several established players and innovative newcomers are delivering genuine value.

Among the major enterprise HR suite providers, each has their own approach.

<u>Workday Agent System of Record</u> provides conversational interfaces for employees and managers, handling everything from self-service requests to analytics queries with surprising sophistication.

Oracle Al Agent Studio excels with its multi-channel support and extensive workflow automation, particularly for time management and absence processes.

SAP SuccessFactors has integrated <u>Joule</u>, which offers natural language capabilities and strong personalized recommendations, especially for career development and learning.

Beyond the big suites, specialized vendors are often pushing the boundaries even further.

## For Recruiting:

- <u>HireEZ's</u> impressive agentic Al
- Phenom People with their sophisticated candidate matching
- <u>HireVue's</u> conversational screening tools
- <u>Paradox's Olivia</u> assistant for automation
- <u>Eightfold Al's</u> impressive career pathing capabilities

For employee experience and service delivery:

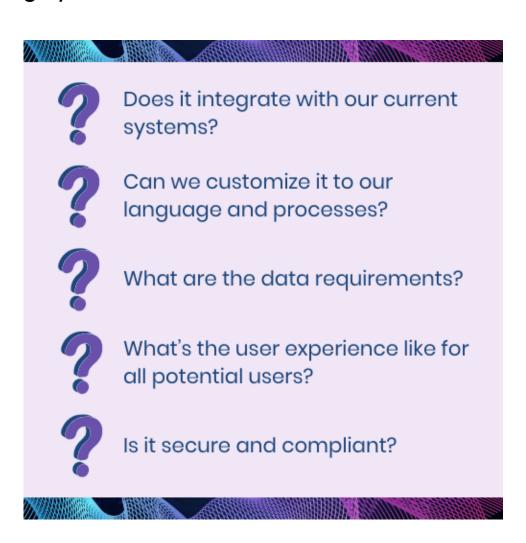
- <u>ServiceNow's Virtual Agent</u>
- Moveworks' automation platform

The learning tech space has embraced AI through platforms like Degreed's skills-based recommendation engine, EdCast's personalized learning paths, Cornerstone's content matching, and 365 Talents' skills marketplace.

Performance management is being transformed by vendors like <u>Betterworks</u>, Culture Amp, Quantum Workplace, and Lattice, each bringing AI to different aspects of goal setting, feedback, and engagement.

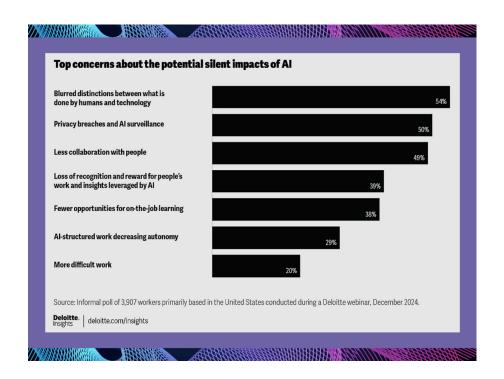
For workforce analytics, Visier continues to lead with their predictive capabilities, alongside innovations from One Model, Crunchr, and ChartHop.

When evaluating these vendors, we always advise HR leaders to look beyond the AI buzzwords. Focus on how well the technology integrates with your existing systems - isolated AI is useless AI.



# **Reliability of Al Agents**

"How do I know if I can trust what the AI tells me?" This might be the question we hear most frequently from HR leaders, and it's a critical one. The reliability of these systems isn't something you can take for granted - it depends on several key factors that you need to actively manage.



First and foremost is data quality. Your Al agents will only be as good as the information they're trained on. If your HR data has gaps, biases, inconsistencies, or outdated information (and let's be honest, most organizations struggle with at least some of these issues), your Al outputs will reflect those problems. Before rushing to implement sophisticated Al tools, invest in cleaning up your fundamental data. We've seen too many organizations learn this lesson the hard way, spending significant resources on Al only to get disappointing or problematic results because they skipped this critical foundation work.

The specific AI models and their training methodology also significantly impact reliability. Different approaches have distinct strengths and limitations - there's no one-size-fits-all AI. The techniques used during model development directly affect performance quality. Systems need regular retraining with fresh data to stay relevant in our rapidly changing workplace. Rather than treating AI as a magical black box, successful organizations develop enough technical literacy to understand these considerations and choose appropriate solutions for their specific needs.

Human oversight remains essential in HR contexts - we cannot emphasize this enough. The most effective implementations incorporate thoughtful human review of critical decisions rather than pursuing complete automation. There must be clear paths for escalating complex or unusual cases to human experts. Subject matter experts need to continuously monitor performance to identify emerging issues. This balanced approach leverages Al's efficiency while maintaining appropriate safeguards for decisions that impact people's careers and livelihoods.

To verify if an AI agent is providing reliable information, look for systems that offer confidence indicators with their outputs. These scores help users determine when additional verification is needed, with lower confidence signals suggesting human review. Establish clear thresholds that trigger verification when confidence falls below acceptable levels. Train your team to interpret these indicators appropriately, understanding that even high confidence scores don't guarantee accuracy in all situations.

Make cross-verification a standard practice by checking AI outputs against other trusted sources, particularly for high-stakes decisions. Regularly compare responses to known test cases to identify potential blind spots. Use multiple analytical approaches to confirm important conclusions. This triangulation provides assurance beyond relying on any single system's output.

Demand transparency in AI reasoning - this is a non-negotiable in our view. Reliable AI agents should explain their logic in understandable terms rather than simply providing answers without context. They should reference sources that support their conclusions. Be extremely skeptical of "black box" recommendations without explanation, especially for consequential decisions. This transparency allows your team to exercise appropriate judgment about when to trust AI versus when to dig deeper.

For practical reliability assessment, start with low-risk applications where errors would have minimal negative consequences. Document Al capabilities and limitations clearly to set appropriate expectations. Establish regular testing protocols across diverse scenarios. Create

# Impact on Leadership and Work

Al agents aren't just changing our HR technology stack - they're fundamentally transforming how leaders lead and employees work. This represents both opportunity and challenge for HR professionals guiding their organizations through this transition.



#### **For Leaders**

Al enables a significant shift toward strategic focus. By automating routine administrative tasks that once consumed hours of leadership bandwidth, Al frees executives to concentrate on truly strategic activities. Today's Al-empowered leaders spend more time on forward-looking workforce planning, designing organizational structures that maximize effectiveness, building culture, and strengthening business partnerships. The administrative minutiae that previously fragmented leadership attention can now be handled efficiently by Al systems, allowing sustained focus on the human elements that machines can't replicate.

The movement toward data-informed decision making represents another profound leadership shift. Rather than relying primarily on intuition or limited snapshots of information, leaders now leverage real-time dashboards that continuously update key metrics. Predictive analytics enables proactive management, addressing potential issues before they become problems. All excels at identifying patterns across vast datasets that would remain invisible even to the most experienced human observers. Scenario modeling allows leaders to test potential strategies virtually before committing resources. This analytical foundation doesn't replace human judgment but enhances it with unprecedented depth and precision.

These changes require leaders to develop new competencies that weren't part of traditional leadership development. Al literacy has become essential - not technical expertise, but sufficient understanding to know when to rely on automation versus human judgment. Leaders must master collaborative decision-making with Al systems, effectively orchestrating machine intelligence with human wisdom and ethical considerations. Perhaps most challenging is the change management aspect, as leaders guide their organizations through profound transformations in how work happens, addressing legitimate concerns while maintaining focus on the benefits.

The evolution in leadership communication is equally significant. Leaders must clearly explain Al's role in decision processes, making transparent when and how algorithms influence outcomes. They need to thoughtfully address employee concerns, acknowledging anxieties while providing realistic reassurance about human judgment remaining central to important decisions. Articulating the values guiding Al deployment establishes ethical guardrails that govern these technologies. Creating shared understanding across the organization sets appropriate expectations while fostering effective human-machine collaboration.

Traditional Leadership	Al-Augmented Leadership	
Focused on admin tasks	Strategic planning & culture building	
Intuition-driven	Data-informed decision making	
Limited time for people	More time for meaningful interaction	

## **For Employees**

According to Linkedin's 2024 Global Talent Trends report, "about 8 in 10 global executives see at least one way generative AI will help their employees." AI is transforming daily work experiences in equally profound ways. Routine administrative tasks that once consumed significant time – from submitting requests to updating information – are now largely automated. Self–service access to HR information has eliminated frustrating delays in getting answers to common questions. Personalized guidance tailored to each employee's unique situation creates individually relevant experiences at scale. Streamlined workflows dramatically reduce friction in approval processes. This transformation doesn't eliminate human interaction but reserves it for moments where human judgment, empathy, and creativity truly add value.

As AI handles routine tasks, employees focus more on uniquely human capabilities. Complex problem-solving that requires organizational context and stakeholder understanding becomes more central to many roles. Creative thinking and innovation drive new solutions while AI handles implementation details. Emotional intelligence and relationship building gain renewed importance as distinctly human strengths. Increasingly, employees must critically evaluate AI recommendations, knowing when to trust algorithmic outputs versus when to question them based on contextual knowledge or ethical considerations. This represents an elevation of human work, not its diminishment.

Al significantly enhances workplace accessibility and inclusion when thoughtfully implemented. The availability of 24/7 HR support eliminates traditional barriers for remote workers, global teams, and those with non-standard schedules. Multilingual capabilities remove disadvantages for non-native speakers. Consistent application of policies reduces variability that often led to perceived favoritism. Properly designed systems can reduce human bias in processes like resume screening or performance evaluation, though this requires careful implementation to avoid introducing new algorithmic biases.

The transition to Al-enhanced work environments presents adaptation challenges that organizations must address proactively. Many employees face substantial learning curves for effective Al collaboration. Trust-building with new systems remains critical, particularly where employees have legitimate concerns about accuracy and fairness. Privacy considerations intensify as Al systems collect detailed information about work patterns and performance. Perhaps most profound is the uncertainty many feel about evolving role expectations and future skill requirements. Organizations that acknowledge and address these challenges through transparent communication and comprehensive training achieve substantially better outcomes.

Traditional Work Experience	Al-Augmented Work	
Manual data entry	Automated workflows	
Generic guidance	Personalized support	
Frustrating delays	Instant self-service tools	

At the organizational level, several transformative impacts emerge. Decision velocity accelerates dramatically as Al-augmented processes analyze data and present actionable insights in minutes rather than weeks. Organizations achieve unprecedented personalization at scale, tailoring HR services to individual needs without corresponding staff increases. Knowledge previously accessible only to HR experts becomes widely available throughout the enterprise, reducing bottlenecks and empowering employees.

Continuous improvement happens automatically, with systems learning from each interaction to incrementally enhance performance. Most profoundly, leading organizations develop hybrid intelligence frameworks that maximize the complementary strengths of human and artificial intelligence, achieving outcomes neither could accomplish independently.

# **Ensuring Data Accuracy**

The effectiveness of your AI agents depends on data quality, pure and simple. Without systematic approaches to ensuring accuracy, even the most sophisticated AI will produce misleading or harmful outputs. This isn't optional - it's foundational. So what can you do?

#### **Data Governance**

Start with establishing clear data governance. Designate specific data stewards responsible for particular HR data domains like compensation, talent acquisition, or performance. Form cross-functional governance committees bringing together HR, IT, legal, and business stakeholders to establish enterprise-wide policies. Define explicit roles for all aspects of the data lifecycle from creation through archiving. Hold all users accountable for the data they touch, creating a culture where accuracy is everyone's responsibility.

#### **Data Standards**

Develop comprehensive policies that guide organizational practices. Create explicit data quality standards defining what "good data" looks like across dimensions of accuracy, completeness, timeliness, and consistency. Establish lifecycle management processes for how information flows through your organization. Implement appropriate access controls balancing availability with privacy and security. Ensure alignment with privacy regulations like GDPR and CCPA, particularly crucial for sensitive HR information.

## **Data Integration**

Data fragmentation across multiple systems presents one of the greatest challenges. Address this by establishing authoritative sources for key data elements, designating specific systems as the definitive record for each information type. Consolidate information from specialized applications into unified repositories providing comprehensive workforce views. Implement real-time data sharing through API integrations to ensure changes propagate immediately across systems.

Use consistent employee identifiers to create reliable links between different data types. Without this single source of truth, Al agents inevitably work with conflicting or outdated information.

## Validation & Monitoring

Standardization is equally critical. Document definitions for all HR data elements in accessible dictionaries, ensuring everyone shares understanding of terms like "headcount" or "high performer." Implement validation rules within systems to ensure consistency and prevent common errors. Create uniform classification frameworks for complex domains like skills taxonomies or job families. Adopt industry standards where possible to facilitate benchmarking and external data integration.

Robust validation mechanisms must identify potential issues before they affect AI outputs. Implement automated quality checks including range validation to flag outliers, consistency checks to identify contradictions, missing data detection, and anomaly identification for unusual patterns. These create continuous monitoring without requiring constant manual oversight.

## **Human Oversight**

Human verification remains essential, particularly for critical information. Conduct regular audits of representative samples to detect systematic issues. Have domain experts review specialized data areas like compensation structures. Create simple feedback mechanisms for employees to flag potential inaccuracies. Develop quality scorecards tracking improvement over time. This combination of human judgment and automation creates comprehensive quality assurance.

Remember that data quality isn't a one-time project but an ongoing commitment. Schedule regular reviews comprehensively assessing critical information domains. Create formal remediation workflows with clear responsibility and timelines. Implement duplicate detection and resolution capabilities. Reconcile historical data with current standards to prevent Al models learning from outdated examples.

## **Culture of Quality**

Perhaps most important is building a quality culture. Train all employees on data fundamentals and their role in maintaining integrity. Recognize and reward good data practices to reinforce positive behaviors. Make quality metrics visible to leadership to ensure appropriate resources and attention. Connect data quality directly to business outcomes, demonstrating how accuracy improvements translate to better decisions and stronger performance. When everyone understands why this matters personally and organizationally, excellence becomes sustainable.

The AI landscape continues to evolve rapidly. We can expect faster advancement in areas requiring emotional intelligence as AI capabilities improve in understanding human contexts. The convergence of multiple AI technologies will likely create breakthroughs in currently limited domains. Impact will increase as organizations develop more sophisticated data foundations that enable increasingly accurate insights. And the ethical dimension of AI deployment will grow in importance as these systems influence more consequential decisions.

## **DATA QUALITY CHECKLIST**

- Clear data governance roles
- Unified data sources

- Validation mechanisms
- Lifecycle management
- Culture of accountability

Organizations should reassess their AI strategy regularly as capabilities and applications continue to evolve. What remains constant is the need for thoughtful implementation that balances technological possibilities with human needs, creating systems that enhance rather than replace the human judgment at the heart of effective HR.

# Conclusion

As we've advised organizations through AI transformations, one lesson stands out above all others: the technology itself is only half the equation. The other half is how thoughtfully you implement it within your unique organizational context.

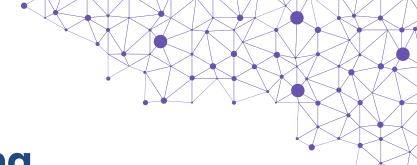
The promise of AI agents in HR is extraordinary – more personalized employee experiences, dramatically improved efficiency, data-driven strategic insights, and the elevation of HR from primarily administrative to truly strategic. But realizing these benefits requires more than just purchasing technology. It demands careful attention to data quality, thoughtful integration with existing processes, appropriate governance frameworks, and perhaps most importantly, bringing your people along on the journey.

Start small with clear, well-defined use cases where success is easily measurable. Build from recruitment and employee service applications where impact is most immediate before tackling more complex domains. Invest in data quality as your foundation. Develop sufficient Al literacy among your team to make informed decisions without needing to become technical experts. And always maintain human oversight of consequential decisions affecting people's careers and livelihoods.

The organizations seeing the greatest success aren't necessarily those with the most advanced technology or biggest budgets. They're the ones approaching AI implementation as a socio-technical challenge - understanding that these tools work best when designed to complement human capabilities rather than replace them.

## The future of HR isn't artificial intelligence replacing human judgment.

It's augmented intelligence - humans and AI working together, each contributing their unique strengths to create outcomes neither could achieve alone. That's the vision worth pursuing, and it's time to make it a reality in your organization.



# **Further Reading**

H3 HR Advisors report: Vendor Selection Checklist- AI 2025

LinkedIn. Global Talent Trends Report 2024.

Deloitte. Global Human Capital Trends 2025.

ServiceNow. The Employee Experience Imperative.

Mercer. Global Talent Trends Study 2024-2025.

Harvard Business Review. When Al Gets a Board Seat.

PwC. Global Digital trust Insights Survey 2025.

McKinsey & Company. Al in the Workplace 2025.

IBM Institute for Business Value. <u>Accelerating the Journey to HR 3.0</u>.

Gallup. State of the Global Workplace Report 2025.

# Partner with us in 2025





H3 HR Advisors is a full-service
Human Capital Management
consulting, research, and advisory
firm. Additional packages or
retainer options available.

Launched in 2009, The HR Happy Hour Media Network features the longest continuously running internet radio show and podcast on all things HR and HCM.

# Succeed by building relationships that drive your ambitious business results forward with experience and insights you can trust

- HR and learning leaders bringing our combined 70+ years of experience to your project
- Providing an objective look at your solution and marketing needs
- Helping you reach your product and customer goals
- Utilizing our company research to support your business imperatives
- Thought leadership to understand the evolving workplace
- Projects tailored specifically to your needs

# **Contact Us**