



Generative AI and HRIS: The New Standard for HR Productivity

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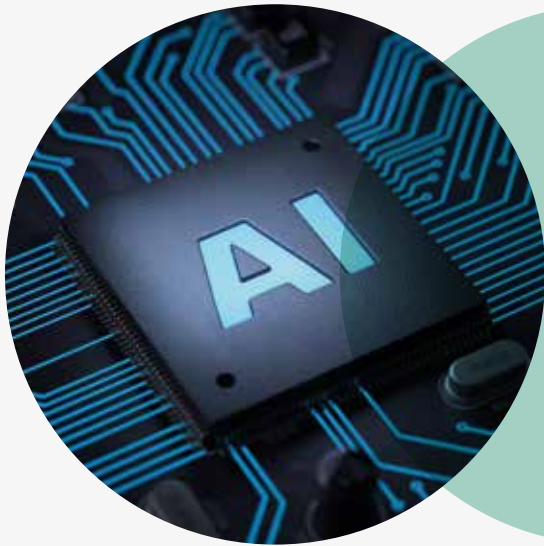


AI

The integration of artificial intelligence (AI) in human resource information systems (HRIS) is not a new concept, but it was previously limited to text extraction. However, a significant shift is currently underway. The latest AI capabilities, such as understanding, summarizing and generating content, are revolutionizing the way human resource services are managed. This represents a significant milestone, with the potential to significantly increase productivity and transform the way human resources manage their data.



New Opportunities Offered by Generative AI



Expedite Data Entry and Validate Data Quality

Human resources departments handle large amounts of data. Speeding up data entry and controlling data quality based on qualitative criteria are major expectations that AI can meet. The integration of a data entry accelerator within an HRIS system could reduce the data entry time for a user by a factor of 5.

Support HR in the Recruitment Process

Accelerating recruitment processes is also one of the main expectations of human resources departments. A study by Exaegis Markess¹, found that 40-50% of decision-makers believe that using generative AI for recruitment is a relevant and valuable approach:

→ To analyze CVs

→ To help create job postings, identify necessary skills for a specific role, and draft job descriptions

→ To prepare for a job interview

¹Source: “Digitization of HR Processes, Road to Automation”, Exaegis Markess, 2024.

Inform Employees

Chatbots allow generative AI to provide a first-level response to employees. They can draw on the organization’s HR data to provide contextualized answers.

Make Informed Decisions

To unlock the full potential of AI, it is crucial to feed it with high-quality, consistent and contextualized data. By doing so, AI can generate more accurate summaries, empowering HR departments to make better decisions and strengthen their position as strategic partners to management.

AI is a valuable tool for clarifying, objectifying and informing HR function decisions. However, the ultimate decision-making power remains in the hands of human beings.

“AI will help HR departments work faster and more efficiently, enabling them to make better decisions and assert themselves as strategic partners. The integration of AI will occur gradually, safely, and ethically.”

Patrice Poirier, president of SIGMA-HR





01

AI and HRIS: Ensuring Seamless, Consistent Integration

Decentralized HRIS vs. Global HRIS: A Crucial Question for AI Integration

Not all organizations have the same approach to digitalizing their HR processes in the same way. Some rely on global HR suites, while others continue to use several tools dedicated to different needs.

In essence, an HRIS can take one of two forms:

- A comprehensive system that stores all of an organization's HR data.
- A suite of specialized solutions that handle one or more HR processes (recruitment, talent management, training and performance evaluations, time management, occupational health and safety management, etc.).

The joint use of multiple HR tools in a single organization raises questions about data consistency. It may also affect the deployment and use of artificial intelligence.



Data Consistency vs. Fragmentation

The availability of data has become a key factor in managing human resources. However, it is essential that the data is up-to-date, consolidated and relevant to the current context. The problem arises when using multiple HR applications simultaneously, as each solution only has visibility over the data it contains. This can lead to data and AI fragmentation across different systems.

The dispersion of data across various human resources systems complicates data analysis, preventing HR departments from having a global, cross-functional view of the organization. As a result, it becomes difficult to cross-reference data for analytical and decision-making purposes. This increases the risk of drawing incorrect conclusions or making wrong diagnoses.

Unified User Interface vs. Disparate Experiences

What's more, the use of several different AIs can be disruptive for the user, who will have to learn to interact with different types of artificial intelligence. Interfaces and methods of interaction with AIs are not all identical. By multiplying HR systems and associated AIs, organizations can create interaction difficulties between users and AIs. This is detrimental to the the quality of the user experience and makes personalization more difficult.

AI in a decentralized HRIS	AI in a global HRIS
✗ Inconsistent and fragmented data	✓ Centralized, standardized, quality data
✗ Reduced ability to cross-reference data	✓ Use of more relevant data
✗ Challenges integrating AI	✓ Easier and more secure AI deployment
✗ Need to secure the various systems and protect the data analyzed and used by AI in each HR software package	✓ More accurate results
✗ Risk of reaching erroneous conclusions and making incorrect diagnoses	✓ AI's advanced predictive abilities
✗ Risk of damaging HR's internal reputation	✓ Opportunity for HR to become AI leaders in their organization.

Integrated AI: The Key to Efficiency

Simplified and Cohesive User Experience

Having an intuitive interface and a single way of interacting with the AI simplifies the user experience, since the way of addressing the AI remains the same. Integrated AI also provides more opportunities for personalization.

Data Consistency and Improved AI Predictive Capabilities

Integrating AI into a unified environment ensures consistent data interpretation. Having access to vast quantities of normalized, integrated, and relevant data empowers AI to refine its predictive abilities. As a result, its insights and projections become increasingly precise and thorough.

By providing in-depth trends, AI supports strategic HR decision-making. As a result, HR departments can use this technology as a tool to become AI leaders within their organizations.





02

AI, An Operational Efficiency Catalyst for HR

Automating and Accelerating HR Tasks

Generative AI - capable of understanding and generating content that mimics that produced by humans - is the most talked-about AI technology. It is the most widely publicized AI technology, but artificial intelligence is actually much broader.

AI is the ability of a computer system to perform tasks that usually require human intelligence, such as learning, reasoning, recognition, prediction, etc. It includes a wide range of methods and devices for carrying out repetitive actions or solving complex problems using algorithms or logical pathways.

Practical AI Applications in Human Resources

Key Types of Tasks That Can Be Handled by AI

In the field of human resources, where an abundance of paperwork is generated every day, artificial intelligence (AI) has the potential to efficiently manage numerous responsibilities, such as:

- Automate data entry from various sources (documents, conversations, etc.)
- Check and validate data input based on qualitative criteria
- Extract and organize information
- Summarize documents
- Analyze data and establish correlations to detect trends
- Efficiently search and retrieve information from documents and databases
- Enrich HR data with legal data sources

Examples of AI Use Cases in Human Resources

Manual HR data entry time can now be considerably reduced thanks to AI. SIGMA-RH has calculated that the acceleration of data entry could save a user up to 80% of his data entry time.

Expedite Data Input

Leveraging a Chatbot to Address Common Employee Questions

Chatbots can handle HR-related employee inquiries, including payroll, vacation, and other related matters. These virtual assistants have access to the company's HR documentation, and they can provide precise answers to a large number of questions. Any remaining unanswered questions are forwarded to managers in the form of a prepared support ticket, generated automatically by the AI, taking into account the preceding exchange.

AI is highly skilled at extracting job candidates' skills from their CVs and recommending which candidates might be a good fit based on their competencies. AI can go one step further by proposing interview questions for candidates once it has analyzed their CVs.

Extracting Skills From a CV

Key Advantages of AI in Enhancing Productivity

One of the great strengths of AI lies in its ability to process, analyze and cross-reference large volumes of data. It can also reduce errors (especially when compared with manual data entry), and read and summarize information much more quickly than a human could.

In this sense, AI eliminates recurring manual tasks with little added value, speeds up the processing of business processes and enhances their quality. It makes the work of document managers easier.

Indicators for Measuring AI ROI

- Productivity rate
- Reduction in error rates
- Stress levels and employee satisfaction
- Reduction in the number of people needed to carry out certain tasks
- Ability to concentrate on tasks requiring more thought

Striking a Balance Between Productivity and Sensible AI Use In HR

With the surge in interest in artificial intelligence, there may be a strong impulse to jump on board without thinking. However, blindly implementing AI for its own sake is not very wise. The first step is to define the scope of AI implementation by identifying business needs and use cases.

AI must serve a valid purpose. It can then help identify the most effective way to address that need. Deploying AI must include an internal awareness and training component.

While AI offers many benefits, such as generating ideas, recommending courses of action, and suggesting strategies, it is essential to remember that human beings ultimately bear the responsibility for verifying, evaluating, and making the ultimate decisions. This should be done using both AI and HRIS data.

The potential benefits of artificial intelligence in human resources are undeniable. However, it's important to recognize that not all tasks or roles can be effectively handled by AI. For example, SIGMA-HR has decided not to use AI for automated decision-making in HR. According to experts, the application of AI in areas such as employee career advancement or making employment-related choices carries significant risks and should therefore be avoided. From a societal perspective, it is undesirable for AI to be able to decide on a person's life or career.



03

How AI Can Transform HR Document Management

Optimizing HR Document Management: A Major Preoccupation

HR documents are vital to the smooth functioning of any organization. From employment contracts to performance evaluations and a multitude of requests (training, leave, etc.), HR documents are produced in great quantities every day.

“The size and diversity of the documents to be processed significantly impact all HR processes.”

The research report *Digitization of HR Processes, Road to Automation*, authored by Exaegis Markess in 2024, reveals that streamlining human resources documentation has become a top-tier objective. In fact, 41% of businesses are considering investing in AI to automate their document management systems.



Involve AI At Every Stage of Document Production

Thanks to its data extraction and structuring capabilities, AI can now intervene and enhance every step of the document creation process, including writing, editing, summarizing, data entry, and ensuring compliance.

And the possibilities for applying AI to document processes are numerous, from the simplest to the most elaborate processes requiring analysis:

→ Translate documents into different languages

→ Create job descriptions

→ Produce summaries of recruitment interviews
(from notes or video transcripts)

→ Propose contract templates

→ Compile a synopsis of an incident report

→ Write reports with recommendations

When properly implemented and used, artificial intelligence is set to transform HR processes, making them faster and more efficient, as well as more reliable.

Enhance the Conformity of HR Records

The intricate nature of regulations and the potential consequences of non-compliance necessitate enhancing process reliability and minimizing risks associated with producing HR documents. A 2024 survey from Exaegis Markess found that 36% of businesses think that artificial intelligence, specifically generative AI, can help keep tabs on HR document conformity.

Once connected to relevant data sources (such as legislation or internal company policies), AI is capable of verifying the legality of produced documents or highlighting errors that a human will then need to correct.

Streamline Document Database Searches

AI is also redefining the way HR departments can use the data at their disposal. For example, it can assign relevant names to documents and associate tags to facilitate searches within a document database.

Traditionally, searches within document databases have been keyword-based. However, AI can now be much more efficient. Based on a question, AI can directly retrieve the relevant paragraph, rather than displaying a list of pages containing the keyword in question. It also allows non-technical profiles to use these functions.



AI at the Service of Humanity

Blending AI and Human Expertise

The use of AI by human resources professionals holds great potential in terms of productivity, with the possibility of streamlining and enhancing HR processes. However, it is crucial to exercise careful oversight when delegating tasks to AI. This involves selecting the right tools, providing clear instructions, and critically evaluating the AI's proposals and recommendations. Although AI excels at summarizing, proposing and accelerating tasks, it is essential to remember that it remains an assistant, and human intervention is still required to ensure optimal outcomes. It requires constant collaboration with human expertise.

Entrusting all HR tasks to AI is neither possible nor desirable. AI is not intended to replace humans, who remain responsible for making decisions.

Promoting a Progressive, Ethical and Secure Deployment of AI

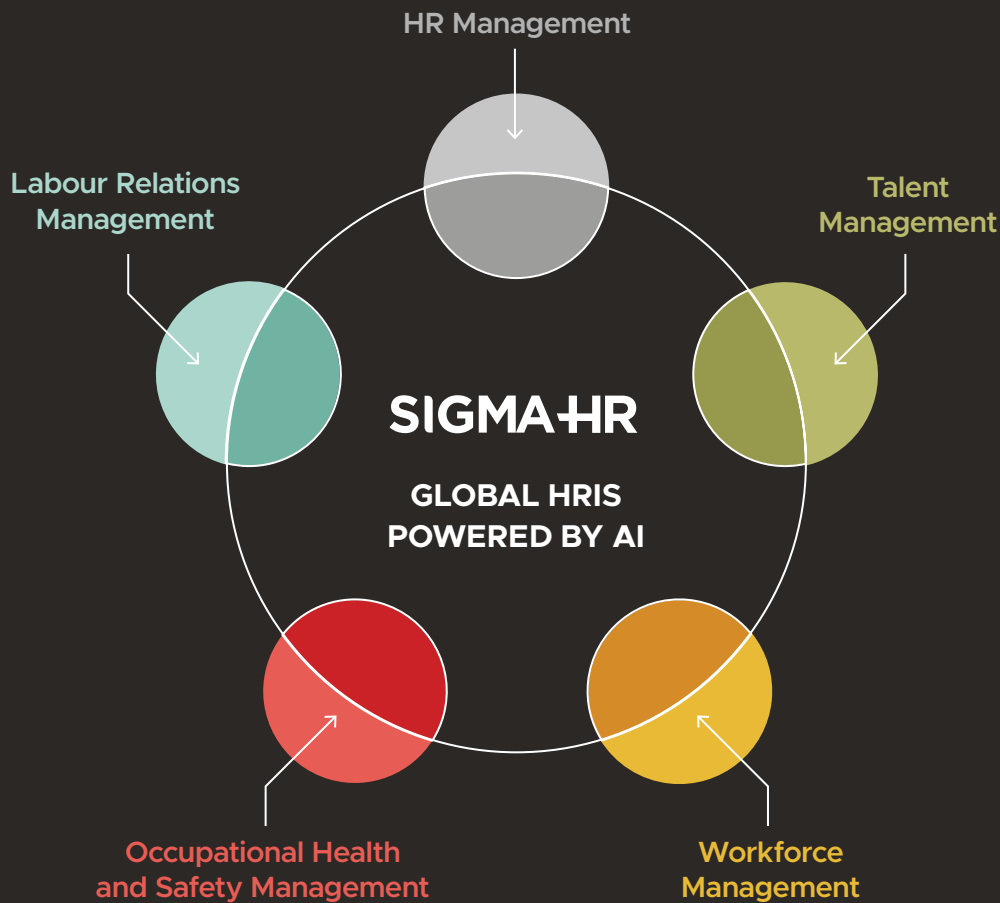
The integration of artificial intelligence into daily activities, including human resources, carries significant ethical implications. For it to be truly beneficial and profitable for all parties involved, the introduction of AI into human resources departments must be gradual, paying close attention to data security.

Only when met with certain criteria will AI truly empower HR specialists to boost their productivity, allowing them to concentrate on the most important aspect: the human factor.



About SIGMA-HR

SIGMA-HR was founded in 1992 and has since become a leading provider of human capital management solutions operating in over 20 countries. Its flexible and innovative HRIS, now enhanced by generative AI, reflects the company's commitment to providing ever more effective management tools. By putting innovation at the service of human resources management, SIGMA-HR continues to stay at the forefront of the industry.



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