How CHROs Can Be the Drivers of Ethical AI Adoption & Empowerment

By Abhishek Gupta, K. Hannah Friedman, and Brad Winn

There is little doubt about the transformational potential of artificial intelligence as it becomes more integrated into human systems and processes. We're heading into a future where AI acts as a co-worker, a friend, and a ubiquitous presence. As organizations make strong moves toward adopting AI into all aspects of their operations, the choice of who stewards the internal adoption and ethical use of the technology will have a tremendous impact on the final outcomes of this transformative journey.

For many organizations, the CIO or CTO is leading the AI charge, developing best practices and advising the CEO as new technology is introduced.

While their expertise is essential, it is critical that the CHRO play a leading role in AI adoption strategy as well. This is because ultimately, AI is more than a technological advancement—it will fundamentally become a social and intellectual transformation.

CHROs are uniquely positioned to execute the vision of integrating AI into the organization and empowering employees to use it. Their role is distinct from other C-suite roles, making them particularly well-suited for this task. Their approach can ensure sizable business and operational benefits while encouraging ethical practices and outcomes.

In contrast to other C-suite roles, which may focus more on financial performance, technology infrastructure, or overall business strategy, the CHRO's people-centric focus, expertise in talent development, and role in shaping organizational culture uniquely position them to lead the successful adoption of AI in a way that empowers employees, thus complementing the value that other C-suite leaders offer in the AI adoption process.

Given that introducing ethical and effective use of AI requires a cultural shift toward openness, adaptability, and continuous learning, the CHRO has significant influence in maintaining a focus on people and culture.

A Culture of AI Empathy

AI is fundamentally transforming our culture. As early as 2018, Google CEO Sundar Pichai compared it to the advent of fire or electricity. Today, AI-powered tools are changing the nature of work. Daily tasks, company culture, and business strategy are all undergoing seismic shifts. AI tools will eventually impact every area of life: education, art, creativity—even our relationships with one another. On a much deeper level than any technology we've seen before, AI is changing the way people think and navigate the world. And people are HR's business.

CHROs are tasked with answering these questions and others: What do we owe to ourselves, our colleagues, and our stakeholders? How can our company balance financial goals with employee needs? What does it mean to act with integrity?

Ethical behavior depends on accountability. As a baseline, leaders must take responsibility for the consequences of their actions. As we adopt AI tools, it's time to double down on that commitment. We may be able to outsource quantifiable tasks, such as research or statistical analysis, but HR can never deputize AI as a final decision-maker. As AI tools grow more sophisticated, this will only become more important. This is especially critical for HR-related tasks that require a human-to-human interaction, such as the Americans with Disabilities Act's interactive process *(see box below)*.

A Culture of AI Monitoring and Modeling

CHROs play a key role in establishing and enforcing ethical standards within the organization. They must ensure that AI is used in a manner that aligns with the company's values and mission. The CHRO's focus on inclusion and diversity positions them to address and mitigate biases in AI systems, ensuring AI tools promote equality. There is tremendous potential to *bake in* ethical AI adoption and design, rather than *bolting it on* after the integration journey.

To ensure that AI adoption does not negatively affect employee well-being, CHROs should monitor and regularly assessing AI's impact on employees' workload, stress levels, and job satisfaction. The goal of AI adoption is not just to achieve business outcomes but also to improve employee outcomes. During the transition, HR should offer support mechanisms, such as counseling services or wellness programs, to help employees adapt to changes brought about by AI. For example, talking openly about job-loss concerns can help address latent apprehensions that employees might have when such a transformative change is being adopted.

As we practice using AI in an ethical, responsible way, we must simultaneously work toward a world in which AI itself is ethical. Whether or not we think of AI as being conscious, it already has the power to suggest actions with far-reaching ethical ramifications.

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EMPATHY VS. ALGORITHMS: WHERE TO DRAW THE LINE ON AI DECISION-MAKING

While HR can use generative AI to help solve certain quantifiable tasks, it should never deputize AI tools to be the final decision-maker, particularly in important human or legal choices. Consider this example: GenAI tools are already skilled at synthesizing information. When an employee asks for an Americans with Disabilities Act (ADA) accommodation, an AI-powered tool can help come up with possible solutions. It can analyze the request, the company's resources, the demands of the job, and other factors. It can respond with a list of equitable, practical solutions. However, the ADA requires HR to engage in an "interactive process" with workers seeking accommodations. That means a human needs to connect with the employee, learn about their needs, and make personalized suggestions.

As of yet, large language models don't generate new ideas. They predict likely answers based on pre-existing information from a large dataset. But they don't have the human spark of spontaneous creativity. GenAI doesn't have a cousin with hearing loss or a best friend with chronic pain, nor personal experience with panic attacks. Acting ethically requires empathy, intuition, and wisdom. Today, those are still fundamentally human qualities.

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People who use generative AI (GenAI) at work commonly describe it as a precocious intern—smart, well-read, efficient, but not qualified to lead a business.

Like any other intern, AI is learning fast. In the near future, leaders will use large language models to assist with more complex and sensitive tasks. These tools will have access to significantly more data, playing a major role in high-level business decisions

An intern can be at odds with your company values and still accomplish everything you need from them. But as AI becomes more sophisticated, it will potentially contribute more like a business partner than an intern. At that point, if the AI tool is at odds with company values, the risks become much higher.

In and of itself, GenAI isn't ethical or unethical—yet. It is learning rapidly and growing more complex, and it may even become capable of critical thought. Even if AI never becomes the final decision-maker, its suggestions will have a growing impact on human behavior, especially at work. To ensure our own ethical use of AI, we need to train our analytical tools to consider ethics and incorporate our own values into their responses.

Mo Gawdat, former chief business officer at Google X and bestselling author, says it's our job to teach ethics to AI. He compares the process to parenting. To be good "parents" or stewards of AI, human users should give it the information it needs to understand human values. In some cases,

that means training AI tools on ethical texts, real-world scenarios, or thought experiments like the ever-popular trolley problem. On a broader scale, it means leading by example. By consistently demonstrating ethical behavior, leaders can develop tools that reinforce their values.

CHROs have a unique opportunity here. AI will inherit the bias of its human creators and teachers. For moral, legal, and compliance reasons, HR departments are always working to mitigate bias. Balancing ethical issues is the bread and butter of people management. With this expertise, HR is perfectly positioned to spearhead the ethical use of AI.

To achieve that goal, CHROs can focus on two strategies: teaching AI to consider these complexities, and carefully monitoring AI's behavior when facing ethical dilemmas. If we are ultimately accountable for the actions suggested by AI, we need to learn how to recognize when it falters. To that end, HR should be responsible for designing and enforcing guidelines that teach, model, and monitor for the appropriate use of these tools.

A Culture of AI Transparency and Accountability
A CHRO's experience managing large-scale organizational changes—such as mergers or shifts in business strategy—is critical when guiding an organization through the transformative changes associated with AI adoption. CHROs are typically skilled in driving employee engagement, a vital component of successful change management. So, by being transparent and involving employees in the AI integration process, the CHRO can proactively address concerns and foster a sense of ownership and acceptance. This strategy makes AI adoption more natural than it would be under a forced mandate from organizational leadership.

Transparency and fairness need to be high priorities when designing an AI adoption strategy. Everyone—from leadership to employees to clients—has a right to know when AI tools are involved in a certain process. For example, when is it appropriate to use AI as a recruiting tool? Some tools can reduce implicit bias, expanding your talent pool and furthering your efforts to be inclusive. But if you are feeding an AI tool biased data, it can have the opposite effect. This is already an ethical issue, and we can expect it to become a legal one.

Up to this point, we've seen few federal or state regulations around the use of AI, but CHROs can expect that to change dramatically. Lawmakers are racing to keep up with the pace of innovation, and they're closing the gap. AI will eventually become a major com-

pliance issue, and HR should prepare by developing clear, systematic, and transparent processes for anticipating and responding to regulatory changes.

In the end, humans are ultimately accountable for their decisions. Using AI ethically means we use AI as a powerful tool, without relinquishing our decisions or responsibilities to something that was created as a tool. We, not our tools, maintain responsibility for making even the most difficult ethical decisions.

A Culture of AI Learning & Development
CHROs have unparalleled expertise in identifying skills gaps and developing comprehensive training programs. This capability is essential for reskilling and upskilling employees to work effectively alongside AI, rather than seeing it as a competitive dynamic.

HR leaders have always been responsible for designing career paths and development opportunities, and they can ensure AI integration enhances career growth and progression. In this era, they can use those skills to ensure that AI empowers human workers, instead of reinforcing the narrative of AI as a threat.

If companies want to keep up, they should invest in increasingly robust learning and development programs. HR should conduct regular skill assessments and develop customized training programs based on the results. These programs should go beyond technical competencies, such as data literacy, to also teach adaptability and critical thinking to employees.

Honing these soft skills not only sets human skills apart from AI's capabilities; it teaches employees how to ethically work with AI and with one another.

An Empowering Approach to AI Adoption
The CHRO will play a pivotal role in guiding organizations through the transformative journey of AI adoption. By aligning AI initiatives with business goals, fostering an AI-ready culture, developing talent, redefining job roles,

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ensuring ethical AI use, facilitating collaboration, and supporting employee well-being, the CHRO can help organizations harness the full potential of AI while empowering employees to thrive in an AI-enhanced workplace.

The CHRO's unique focus on talent management and change management leadership makes them the ideal executive to steward the successful integration of AI. Their ability to balance the needs of various stakeholders, advocate for employees, and align AI with human capital strategies ensures that AI adoption leads to sustainable growth and success for the organization and its workforce.

By embracing this responsibility and proactively guiding their organizations through the AI revolution, CHROs can position themselves as strategic leaders, driving innovation and shaping the future of work.

The successful adoption of AI is not just about technology; it's about empowering people and creating a cul-

ture that thrives in the age of AI. And that is precisely where the CHRO's expertise and leadership will prove invaluable. ▦

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