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Gen AI in People Leadership: Unlocking Engagement and Inclusivity

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ABSTRACT

In recent years, the integration of artificial intelligence (AI) has revolutionized leadership and management in various industries. The emergence of Generative AI (Gen AI) has opened new avenues for enhancing people leadership and management practices. This paper explores Gen AI's application in People Leadership & Management (PM), with a focus on its impact on employee engagement, performance management, and talent development. By leveraging Gen AI, leaders and managers can utilize advanced analytics and predictive modeling for data-driven decision-making, workforce optimization, and personalized employee experiences. Additionally, Gen AI's natural language processing capabilities facilitate more effective communication, feedback, and coaching, fostering a more inclusive and collaborative work environment. Real-world examples and case studies will provide insights into the potential benefits and challenges of using Gen AI in PM, offering practical strategies for its effective integration into leadership and management practices.

INTRODUCTION

The use of tools and technology in People leadership and Project management is not a new concept. The area has seen a remarkable evolution, beginning with the introduction of the Gantt chart by Henry Gantt in the early 1900s, which allowed project managers to visualize tasks and timelines effectively, followed by the development of more systematic methods like the Critical Path Method (CPM) and Program Evaluation and Review Technique (PERT) in the 1950s for scheduling and managing complex projects. The 1980s and 1990s saw the rise of software solutions such as Microsoft Project, enabling detailed planning and resource allocation. The advent of internet in late 1990s took the things to another level as project management tools transitioned to online platforms, enhancing collaboration and real-time updates. Today, we are witnessing a new wave - Gen AI.

What is GenAI?

Generative AI, often referred to as Gen AI, is a type of artificial intelligence that focuses on creating new content based on the patterns it has learned from vast amounts of data. This can include text, images, audio, and even videos. In recent years, the integration of artificial intelligence (AI) has revolutionized ways of working in various industries. Without us knowing we have been the users of Gen AI - be it smart assistants on our phones or targeted advertising by merchandise moguls, dynamic pricing by airlines and ride-sharing services or content personalization on streaming platforms. AI is subtly integrated into our everyday lives. In professional landscape, AI-powered features like smart replies, interest and industry aligned content suggestions, skill assessments and profile statuses are all based on real time signals that uses information from candidates' accounts to making outreach more efficient.

The applications of Gen AI in project management can be as wide as human imagination itself, but for the brevity and focus, the paper will concentrate on applications of Gen AI in enhancing people leadership and management practices. Through this paper authors are attempting to share some of explorations they have made through research and using ontologies to capture and analyze information shared by experienced project managers and industry professionals who have used AI tools in different areas of their work - notably employee engagement, performance management, and talent development. This paper also navigates the readers through some real-world examples and provide insights into the potential benefits and challenges of using AI driven methodologies and tools in People Leadership & Management

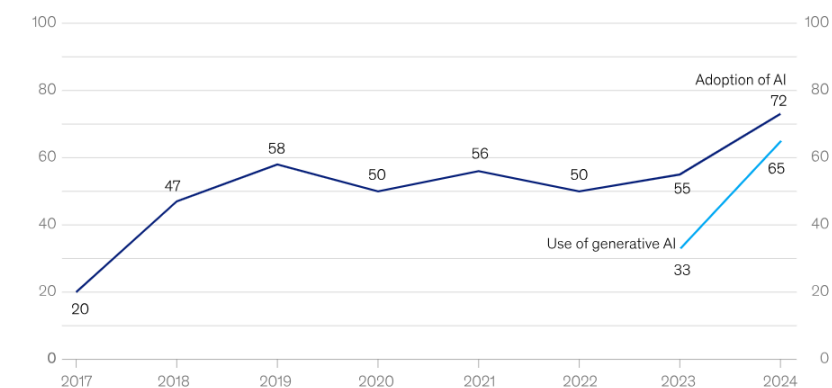
(PM), while offering practical strategies for its effective integration into leadership and management practices.

Employee Engagement:

The integration of AI in employee engagement is not a novel concept; for instance, chatbots have been employed for quite some time to align employee skills with job openings and to respond to basic HR or IT ticket inquiries from staff. However, the areas of application of AI driven tools have exploded recently in 2 years. According to a latest McKinsey Global Survey on AI in early 2024, 65 percent of respondents report that their organizations are regularly using Gen AI, a number doubled from a 2023. 72% of the survey respondents reported use of AI in at least 1 business function, with human resources taking a lead with frequency of usage Gen AI capabilities at 34%.

AI adoption worldwide has increased dramatically in the past year, after years of little meaningful change.

Organizations that have adopted AI in at least 1 business function,¹ % of respondents



¹In 2017, the definition for AI adoption was using AI in a core part of the organization's business or at scale. In 2018 and 2019, the definition was embedding at least 1 AI capability in business processes or products. Since 2020, the definition has been that the organization has adopted AI in at least 1 function.
Source: McKinsey Global Survey on AI, 1,363 participants at all levels of the organization, Feb 22–Mar 5, 2024

McKinsey & Company

Project managers can effectively utilize AI tools and strategies from an HR perspective by automating recruitment with the use of AI-powered applicant tracking systems (ATS). For instance, project managers can use AI to automate the initial screening of applicants, significantly reducing the time spent on manual reviews and allowing them to focus on interviewing the most suitable candidates. The use of AI extends to onboarding, trainings, introduction to projects, transitioning and so on.

Apart from the human resources aspect PMs can leverage AI-driven strategies in various ways to enhance employee engagement and collaboration.

Summarizing team meetings: Project managers can take advantage of Natural Language processing (NLP) tools that integrates with platforms like Google Meet, Zoom, and Microsoft Teams to provide real-time transcription and summarization of meetings. These tools effectively capture automatically transcribe meetings and summarize key points, action items, and decisions made during discussions, allowing users to generate customized summaries tailored to their needs. This minimizes misunderstandings and ensures that everyone is aligned on project and employee goals.

Real-Time Translation: For globally dispersed teams, AI-powered translation features can eliminate language barriers by automatically translating messages and documents in real time.

This fosters inclusivity and ensures that all team members can contribute meaningfully, regardless of their native language.

Real-Time Feedback Tools: Organizations have been adopting for AI-powered platforms that enable project managers to gather continuous feedback for team members through weekly check-ins. This approach allows managers to understand employee sentiments and address concerns promptly, fostering a culture of open communication and engagement. The feedback loop can be extended by use of AI-facilitated automated pulse surveys to capture employee feedback on their workload and project experiences. These surveys provide valuable insights into team morale and areas for improvement, allowing project managers to make data-driven adjustments to workflows or processes.

Enhancing communication: Project managers can utilize AI tools for email composition in several impactful ways, enhancing communication efficiency and clarity. AI tools can analyze the key inputs and generate well-structured emails tailored to the context, while keeping the tone and sentiments in check. This helps project managers gauge how to respond appropriately, fostering better communication dynamics.

Task Management Integration: AI email assistants can extract tasks mentioned in emails and integrate them with project management tools, ensuring that action items are tracked and prioritized effectively.

Use of Chatbots and Virtual Assistants: Bots integrated into platforms like Microsoft Teams can predict project risks, suggest resource allocations, and send automated reminders. For instance, a bot might alert the team about upcoming deadlines or potential bottlenecks, keeping everyone informed and engaged in the project's progress.

Mentorship Matching: AI platforms can help match employees with mentors based on skills, interests, and career goals. By facilitating meaningful mentorship relationships, project managers can enhance employee development and engagement and foster a supportive work environment.

Recognition and Rewards Systems: AI tools can track project milestones and individual contributions, automatically notifying managers when to recognize team members' efforts. This immediate recognition boosts morale and encourages continued engagement in projects.

Performance Management:

Performance management is a strategic and systemic process that organizations use to build realistic goals for their employees, track their performance and help them along their journey as they grow within the organization. It is an essential part of managing the workforce, but it is also labor-intensive. Although there are some obvious applications of AI in performance management—like asking Gen AI chatbots to write parts of your performance reviews—there are many other ways that PMs can employ AI in their organization.

Goal Setting and Tracking: AI tools can assist managers in creating specific performance objectives and action plans tailored to individual employee needs based on predefined criteria. There are AI tools that help you create templates to track goals that are aligned with both personal development and organizational objectives. For instance, authors used AI to help set goals for this paper and time block them by hours over a period of 30 days. This is a simple example of achieving goals and tracking the progress in real-time.

Key Milestones:				
1. Topic Finalization				
2. Outline Creation				
3. Drafting Sections				
4. Review & Revisions				
5. Finalization & Submission				
Daily Action Plan				
Day	Task	Milestone	Responsible Author	Notes
1	Brainstorm potential topics and select one.	Topic Finalization	Author 1 & 2	Use collaborative tools for brainstorming.
2	Conduct preliminary literature review on the chosen topic.	Topic Finalization	Author 1	Focus on key papers and recent findings.
3	Discuss findings and refine the research question.	Topic Finalization	Author 2	Aim for clarity and specificity.
4	Create a detailed outline of the paper.	Outline Creation	Author 1	Include sections: Introduction, Methods, Results, Discussion.
5	Review outline and make necessary adjustments.	Outline Creation	Author 2	Ensure both authors agree on structure.
6	Assign sections of the paper to each author.	Outline Creation	Author 1 & 2	Divide based on strengths and interests.
7	Begin writing the introduction section.	Drafting Sections	Author 1	Aim for 1-2 pages.
8	Continue writing the introduction section.	Drafting Sections	Author 2	Aim for completion of the section.
9	Review and edit the introduction section.	Drafting Sections	Author 1 & 2	Provide feedback and finalize.
10	Start writing the Methods section.	Drafting Sections	Author 1	Aim for 2-3 pages.
11	Continue writing the Methods section.	Drafting Sections	Author 2	Aim for completion of the section.
12	Review and edit the Methods section.	Drafting Sections	Author 1 & 2	Provide feedback and finalize.
13	Start writing the Results section.	Drafting Sections	Author 1	Aim for 2-3 pages.
14	Continue writing the Results section.	Drafting Sections	Author 2	Aim for completion of the section.
15	Review and edit the Results section.	Drafting Sections	Author 1 & 2	Provide feedback and finalize.
16	Start writing the Discussion section.	Drafting Sections	Author 1	Aim for 2-3 pages.
17	Continue writing the Discussion section.	Drafting Sections	Author 2	Aim for completion of the section.

Performance reviews:

Performance reviews have evolved recently from little more than annual paperwork filled out in isolation by managers. Organizations use it as a dynamic tool to foster collaboration and growth. Leveraging modern AI tools like machine learning and natural language processing in performance management can lighten the load for managers by offering more elaborate and unbiased assessments of employees' past performance, reducing subjectivity in evaluations, and fostering professional growth and skill enhancement.

As employees work towards their goals or objectives, they generate data about how much time they put towards specific tasks, who they collaborate with, documenting challenges and how they meet their deadlines. AI tools can crawl through all that data, turning it into insights managers can use to identify top talent, perform skill gap analysis for those who need improvement.

Standardized Evaluation Criteria: AI can ensure that all performance reviews adhere to the same criteria, providing a consistent framework for evaluations. This standardization helps eliminate discrepancies that might occur due to individual biases, leading to fairer assessments across the team(s).

Subjective to Objective: There are NLP tools that can analyze the language used in performance feedback to check the tone and identify potentially biased or subjective terms. By suggesting more neutral alternatives, these tools help ensure that feedback is presented in an objective manner, reducing the risk of bias seeping into evaluations. It can also analyze peer reviews and feedback patterns to flag and address any potential biases leading to a more equitable review process.

Industry Benchmarking: AI tools can compare individual performance against industry benchmarks or peer outcomes. This comparative analysis provides context for evaluations, allowing managers to assess employee performance against relevant standards rather than personal beliefs or preconceived notions.

Feedback Analysis: AI tools can analyze employee feedback from various sources, such as surveys or performance reviews, to identify trends and areas for improvement. This data-driven approach enables project managers to tailor their feedback mechanisms and address specific concerns raised by team members and stakeholders.

KPI definition and tracking: Key performance indexes (KPIs) allow employees and managers to quantify performance, devising and tracking metrics that chart progress month to month, quarter to quarter, or year to year. AI can help define the right KPIs (by analyzing performance data) and automatically track the activities to track real time progress.

Predictive Analytics for Retention: AI can analyze employee performance data to identify patterns that may indicate potential turnover risks. For instance, an AI system might reveal that employees who have not received positive feedback in a long time are more likely to leave the organization. This allows project managers to intervene proactively by providing support or recognition to at-risk employees.

Recognition and Rewards Systems: AI tools can track project milestones and individual contributions, automatically notifying managers when to recognize team members' efforts. This immediate recognition boosts morale and encourages continued engagement in projects.

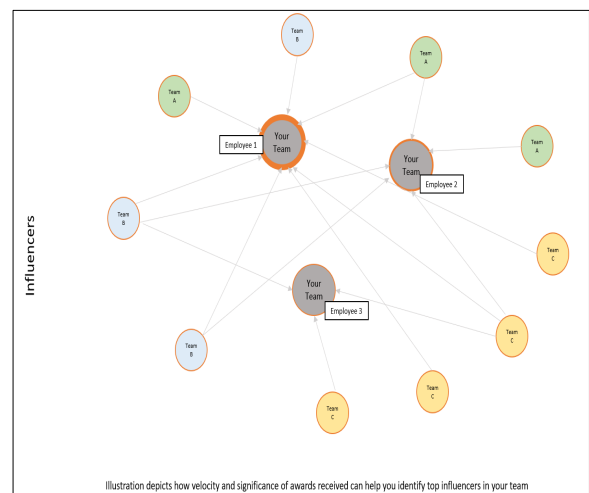
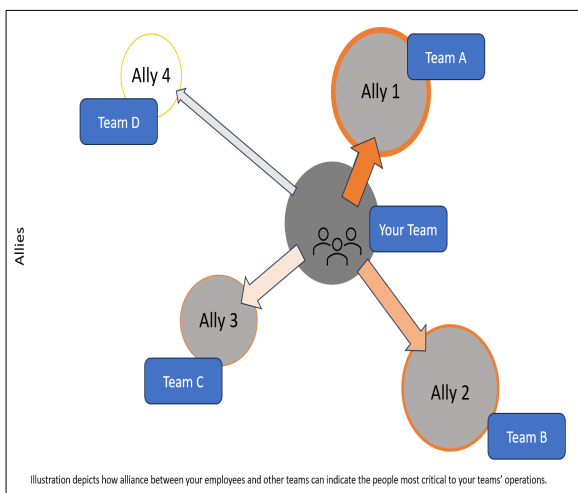
Data-Driven Insights: AI tools can aggregate data from various sources, such as internal communication platforms and past performance reviews, to provide comprehensive summaries for managers. This helps them quickly assess an employee's performance without sifting through multiple documents, allowing for informed decision-making during evaluations.

Talent Development:

Gen AI can be effectively used in talent management for your team as it offers innovative solutions for identifying and nurturing talent.

Influencers and Allies:

Project managers can leverage Gen AI tools to efficiently identify influencers in their teams and allies who can help their teams. AI-driven platforms can review the data across the organization based on a scored calculation considering engagement metrics, velocity and significance of awards received etc. and provide them the names of team members who have the most informal connections and established influence cross-functionally. Similarly, the data can also help them to identify the people who are most critical to their team in terms of alliance, based on awards their team members has given outside of the team, for instance.



Team Dynamics and Future leaders:

On the similar lines, Gen AI tools can facilitate real-time monitoring of team dynamics and engagement levels. By analyzing communication patterns and sentiment within team interactions, project managers can identify key influencers who drive positive discussions or foster collaboration. This data-driven approach allows for identification of future leaders and at the same time boost productivity and enhance morale.

Development Plans:

Using insights derived from Gen AI, project managers can create tailored development plans for identified influencers. Based on the demonstrated area of influence, AI can suggest specific training or mentorship opportunities for such individuals. Additional trainings allow these budding leaders to align their individual's strengths and areas for growth with organizational goals.

Skills Gap Analysis:

Gen AI can help organizations establish a comprehensive skills taxonomy that outlines the skills necessary for various roles. Project managers can rely on AI tools to gather employee data from resumes, project experiences, and training records to assess skill proficiency. This approach will enable them to identify existing skill gaps and predict future skill requirements based on emerging trends in technology, industry and also future business needs.

PMs can also use the information to find talent in another area within the organization helping with cross utilization and eliminate need of external hiring.

Challenges:

It is extremely easy to get swept by the outpour of AI tools and what they can do. However, the emotion gets a reality check when organizations try to implement it. Although there are several tools that are easy to implement, to harness the power of Gen AI we all need to navigate some real-life challenges that come with inconsistent data availability at the project level, the need for suitable AI tool adoption and integration with existing platforms, and the complexities and costs of aligning AI capabilities with current systems. Additionally, organizations must navigate regulatory compliance and data security concerns when implementing AI technologies. Some of these challenges are shared in detail below -

Good 'Old' Data:

The primary challenge in harnessing the benefits of generative AI lies in the availability of data. Most organizations typically have a standard set of KPIs at the organizational level, this standardization and documentation often becomes inconsistent or overlooked at the project level. This presents a significant issue and highlights an area for improvement in data-driven decision-making.

Adoption of AI tools:

Another challenge that project managers can face in effectively leveraging AI-driven methodologies for successful management is the adoption of suitable AI tools by their organizations and their integration with existing collaboration platforms. According to survey by Capgemini Research institute in 2024, only 15% of leaders and managers consistently use generative AI in their daily work. In comparison, 40% of business graduate students use Gen AI regularly. These managers and leaders of the near future will soon enter a workforce that is underprepared for them.

Technical Challenges and Cost Effectiveness:

Aligning AI capabilities with the current architecture and workflows of existing systems can be complex and costly. Compatibility issues may arise, especially when integrating with legacy systems that were not designed to support AI technologies. This requires significant investment in time and resources to ensure seamless integration without disrupting existing operations.

Regulatory Compliance and Data Security: Organizations must navigate complex

regulations regarding data privacy and security when implementing AI tools. Ensuring compliance with these regulations and maintaining robust security measures is a critical challenge.

Risks:

Use of AI systems in organizations, especially in project management, offers exciting potential, but it also brings a variety of risks. These risks can affect project outcomes, organizational operations, and employee trust. Below is a detailed overview of these risks:

Bias in Decision-Making: AI tools trained on insufficient, biased data might lead to reinforcing stereotypes or making unfair decisions, which could damage the company's reputation and even lead to legal trouble. For instance, an AI-powered resource allocation tool assigns high-profile tasks to male team members over equally qualified female colleagues because the AI system was trained on historical project data that reflected past gender imbalances in task assignments.

Transparency Issues: If AI algorithms are not transparent (like "black box" models), it becomes difficult to hold them accountable, which can erode trust among stakeholders. For instance, an AI risk assessment tool flags a project as high-risk without providing clear reasoning, leading to project cancellation.

NOTE: A "black box" model in AI refers to a system where you can see the inputs and the outputs, but you cannot clearly understand how it makes its decisions in between.

Hallucinations: AI 'hallucinations' refer to misleading or incorrect outputs from AI tools. The output may often sound plausible which expands the risk. e.g., A resource allocation system with incorrect data feed, might suggest assigning a task to a team member who is already overloaded, or it might predict an overly optimistic (or pessimistic) timeline for the completion of a project that does not reflect real-world constraints.

Lack of Emotional Intelligence: In project management, emotional intelligence (EI) plays a crucial role in managing team dynamics, conflict resolution, and maintaining morale.

Excessive dependence on AI tools can diminish human judgment and preparedness to address unforeseen issues without technological assistance. Data-driven insights may not be sufficient in resolving human conflicts within or across teams as AI systems may fail to pick up on the emotional nuances of the situation, like underlying interpersonal dynamics or team member personalities.

Conclusion:

In conclusion, every technology comes with its own set of challenges and risks, but that should not discourage organizations from embracing it. The integration of Generative AI (Gen AI) into project management and people leadership practices does offer vast opportunities to enhance efficiency, engagement, and decision-making. By developing some proactiveness, comprehensive understanding and right approach, organizations can unlock the full potential of AI tools as the benefits can far outweigh its risks. To maximize the benefits of Gen AI and overcome hurdles, suggested approach is for organization leaders to invest in robust data governance, and employee trainings; develop a responsible AI framework that works for their organization; identify and deploy AI tools that are fit for purpose; evaluate them rigorously for compliance with ethical standards and regulatory requirements; and most importantly maintain human oversight in decision-making to ensure that technology supports, rather than replaces, human judgment.

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RECOMMENDED READING

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CONTACT INFORMATION

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