

A new dynamic duo? AI and people skills are changing business

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Associate Professor Nan Jia researches the applications of AI technologies in management. Credit: Nan Jia

Worried AI is coming for your job? Not so fast ... It's more nuanced than that, indicates new research from Nan Jia, the Dean's Associate

Professor in Business Administration and an associate professor of strategic management.

Jia is focusing her research on the applications of artificial intelligence (AI) technologies in management. She presented a collection of her work on the impact of AI in the workplace—findings from two published papers in the *Strategic Management Journal* and one working paper—at this year's Marshall Research Fair on February 23.

AI may have "superior analytical skills" with data but is perceived as having an impersonal nature by most. On the other hand, managers with good people skills can communicate trust and motivate morale among employees. Merge the two together and a dynamic duo may just be possible.

Jia's research finds that combining the two fosters a complementary relationship in the workplace, emphasizing the importance of managers with strong people skills in effectively utilizing AI assistance tools.

"The 'human touch' makes the difference in itself," Jia explained. "If [the human touch] works alone, it's going to be less effective than when it is coupled with this highly valid content provided by AI. Both are indispensable."

The test sample for her research occurred in the fintech industry, focusing on customer service centers where employees' behavior is easily documented through recorded calls. The data was cataloged and fed into analytics to help evaluate the individual's performance and determine opportunities for improvement and training.

In this case, AI was used to analyze the recorded data and calculate the results: How were the employees performing in their job? Were they proficient or were adjustments required? This becomes high quality

content that the manager could share with a direct report.

"AI can take care of a big part of the content generation, especially when this content is based on data and analysis of data," Jia explained. "AI just does better than human beings."

But, Jia pointed out, "There's the content and then there's delivery."

That's where the people skills of the manager become most important in how the employee reacts to the performance evaluation.

"The same high quality AI content which is taken by a manager with stronger people skills will be able to persuade employees more effectively to adopt it," Jia continued. "And therefore, the employee's performance [outcome] is going to be higher than with a manager with lower people skills but using the same content."

Why? It boils down to trust. Employees may be unsure of the content feedback, but willing to give it a try for those with a human touch. "If somebody is a manager with weaker human skills, employees are already skeptical of the weak manager. So, then they're also skeptical of the content," Jia said.

An additional interesting point: the demographic of fintech call center employees under study were well-educated and in their twenties, which typically tend to be more receptive to technology. That doesn't bode well for those managers with poor people skills.

Managers with weak people skills are at risk of being replaced by AI, "because AI assistance plus managers with weak people skills achieve a similar outcome as AI alone," Jia added. "Therefore, there's a question of why would you not just use AI? The implication is not to get rid of these managers, but I think their organization should be thinking about

what type of [managers](#) to recruit, and how to train them in people skills."

AI replacing humans is a gross simplification according to Jia. Her findings advocate that organizations can leverage the distinct advantages that AI and individuals embody together as a "team." Overall, the possibility of the synergy created—that neither can achieve on its own—could benefit employees and the workplace for years to come.

More information: Siliang Tong et al, The Janus face of artificial intelligence feedback: Deployment versus disclosure effects on employee performance, *Strategic Management Journal* (2021). [DOI: 10.1002/smj.3322](#)

Milan Miric et al, Using supervised machine learning for large-scale classification in management research: The case for identifying artificial intelligence patents, *Strategic Management Journal* (2022). [DOI: 10.1002/smj.3441](#)

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