



BUILD OR BUY

Vitro: Our year with AI
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Vitro Global



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Introduction

Over the past year at Vitro Global we have immersed ourselves in exploring Artificial Intelligence (AI) within the HR sector. We have seen the industry transform, with AI evolving from a futuristic concept into an essential tool for operational efficiency. The question for all organisations today is no longer whether to integrate AI, but when, and more importantly how to maintain control over its deployment.

From our journey, and those of our clients, we are seeing that AI's adoption is most prominent among vendors. Recognising AI as a competitive necessity, these vendors are embedding it into their products - whether by layering AI on top of existing solutions, building with AI or in some cases constructing their solutions on large language models. As a result, end users are engaging with AI on a large scale, sometimes without even realising it.

However, we've also seen a quiet revolution with tools like Co-Pilot, ChatGPT and Gemini being adopted in unexpected ways, particularly in companies reluctant to fully embrace AI in-house or lacking clear guidelines. This shadow adoption highlights broader concerns about risks, lack of control and absence of a clear strategy which often prevents companies from making a decisive commitment to AI.

These experiences have shaped our perspective, reinforcing the need for a more thoughtful, strategic approach to AI adoption. Our journey has taught us that the decision to build or buy AI is just the beginning; the real challenge lies in how to effectively execute that decision. With this in mind, we want to share the framework we've developed from our deep dive into this space, along with the practical steps taken and the valuable lessons we've learned along the way.



The Vitro Global Approach to Build vs Buy: A Strategic Decision-Making Framework

Initially, as we ventured into the AI landscape we quickly learned that the decision to build or buy AI tools is complex and requires careful consideration of several key factors:

- **Budget:** Early on, we assessed our financial resources and realised that building in-house required a more substantial initial investment but offered the promise of long-term value through customisation.
- **Timeline:** We recognised that in some situations, the urgency of business needs, made off-the-shelf products the more practical choice, offering a quicker solution to address immediate challenges.
- **Customisation Needs:** Our experience revealed that while ready-made solutions could address general requirements, building in-house allowed us to tailor AI specifically to our unique business processes, providing a better fit for our organisation.
- **In-House Expertise:** We assessed whether we possessed the necessary technical expertise to undertake AI development internally. Where gaps existed we sought strategic partnerships to fill those needs.
- **Long-Term Goals:** We aligned our AI strategy with our long-term business goals, understanding that the build vs buy decision would significantly influence the future direction of our HR operations.

Our approach also emphasised the importance of conducting a thorough risk assessment to identify potential technological, security and operational risks from the outset. This foresight allowed us to mitigate challenges before they could impact our progress. We even developed an in-house AI Ethics capability to support our risk management strategy guiding us through to successful AI adoption.



How We Implemented AI, Project Delivery Assurance

Having worked closely with technologists and in discussions with clients over the last year, we identified four key areas where our approach can add most value: Information Governance, Pilot Enablement and Design, Transition to Business as Usual (BAU), and Adoption Support. Each of these areas is embedded within a Project Delivery Assurance process, ensuring that every phase of your AI journey is executed with precision and care:

Information Governance

From our experience, Information Governance is the cornerstone of successful AI integration. This area encompasses the following key elements:

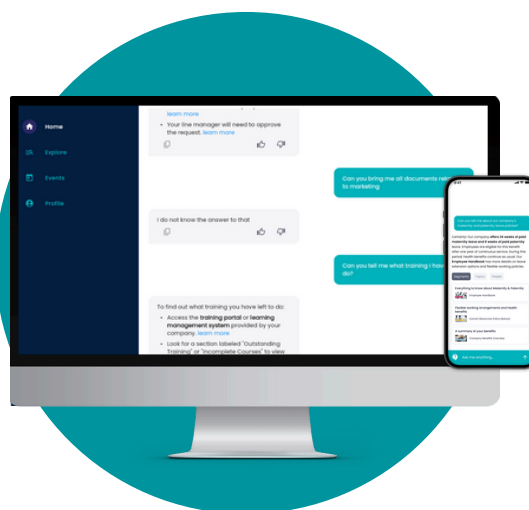
- **Data Accuracy and Integrity:** Effective AI in HR requires robust validation pipelines and safeguards to detect inaccuracies before they affect end-users. Drawing from diverse data sources and establishing feedback loops for continuous improvement are also vital strategies.
- **Security and Data Management:** Effective AI in HR must securely handle a vast range of sensitive enterprise data. This requires selecting AI vendors with rigorous data collection practices, strong encryption, continuous monitoring, differential privacy, data isolation and adherence to a Zero Trust security model.
- **Bias Mitigation:** Proactive measures to identify and mitigate bias in AI development and implementation are essential in fostering more equitable and inclusive processes. Regular testing to eliminate biased outputs, and capabilities for managing and visualising data that may contribute to bias, are critical.
- **Ethical Use and Compliance:** Transparent, fair and accountable AI use is a must. Ensuring that AI-driven decisions are explainable and aligned with ethical standards is key to maintaining trust within the organisation.



Pilot Enablement and Design

Successfully advancing with AI requires careful Pilot Enablement and Design. Here's how we approached this phase:

- **Project Setup:** The first step involves setting up the project with clear goals, identifying key stakeholders and ensuring alignment with business objectives. This phase is critical to lay a strong foundation for the pilot.
- **Pilot Preparation:** As with any technology project, thorough preparation is essential. The principle of 'less is more' is particularly important here – it is vital to ensure that the information presented to end-users is clear and accurate. This includes agreeing the AI product's tone of voice, identifying phrases that trigger human involvement and creating an engaging user experience.
- **Designing for Success:** The pilot design should include clear validation metrics, focus on usability and deliver a seamless experience for the users. Regular feedback and iterative improvements are crucial during this stage.



Transition to Business as Usual (BAU)

Once the pilot is refined, the next step is the Transition to Business as Usual (BAU):

- **Joint Preparations:** This phase requires close collaboration between business units and the technology team. Begin the BAU process by launching with a small mixed group, using validation metrics and business feedback to guide the transition.
- **Feedback and Adjustment:** Gathering feedback from this initial group is critical. Use the feedback to make necessary adjustments and fine-tune the AI solution before deploying it across the broader organisation.
- **Land and Expand (Scaling Up):** Gradually expand the rollout to a larger audience, ensuring that the AI solution remains stable, effective and well-received. This phased approach minimises disruptions and allows for smooth integration into daily operations.



Adoption Support

Finally, no AI project is truly complete without strong Adoption Support:

- **Change Management:** The importance of a robust change management plan cannot be overstated. It should focus on setting up early, nudge-based communication strategies to help ease the transition and ensure a smooth adoption process.
- **Training and Communication:** Ensure stakeholders are well-informed and aligned with the AI implementation. Providing comprehensive training for all users and maintaining open communication channels are essential for fostering acceptance and enthusiasm for the new technology.
- **Measuring ROI:** Beyond the technical implementation, it is essential to track the return on investment (ROI). This involves measuring both quantitative outcomes, such as cost savings and efficiency improvements and qualitative benefits, like improved decision-making and increased employee satisfaction.

Project Delivery Assurance

Throughout all engagements our Project Delivery Assurance process is our guiding framework. This process ensures that every phase, similar to those mentioned, Information Governance to Adoption Support – are executed with meticulous attention to quality, security and alignment with strategic goals. By embedding this assurance framework, we confidently lead our clients toward successful, sustainable and impactful transformations.



Conclusion

Next Steps on the Vitro Global Journey

As we continue to explore and support discussions on AI, we remain committed to sharing our insights and refining our approach. For HR leaders reading this whitepaper, we recommend the following next steps:

- **Conduct a needs assessment:** Determine your organisation's readiness for AI integration.
- **Evaluate Build vs Buy:** Use the framework we've shared to decide whether to Build or Buy AI solutions.
- **Start with pilot projects:** begin with pilot initiatives to gather insights and refine your strategy before scaling up.

Future Trends: What's Next for AI in HR

Looking ahead, we anticipate several trends that will shape the future of AI in HR:

- **AI and Employee Wellbeing:** The role of AI in monitoring and enhancing employee wellbeing is expected to grow, with implications for how organisations support their workforce.
- **AI-Augmented HR Roles:** As AI automates routine tasks, HR professionals will increasingly focus on strategic initiatives, leading to a redefinition of HR roles within organisations.
- **Ethical AI in the Workplace:** The importance of transparency and fairness in AI-driven processes will increase, making ethical AI use a key focus area for organisations.



Appendix

Glossary of Terms

To support your journey, we've included a glossary of key AI terms:

- **Natural Language Processing (NLP):** AI technology that enables machines to understand and respond to human language.
- **Machine Learning (ML):** A type of AI that allows systems to learn from data and improve over time without being explicitly programmed.
- **Bias Mitigation:** Techniques used to identify and reduce bias in AI algorithms.
- **Zero Trust Security:** A security model that assumes all network traffic, whether internal or external, is potentially hostile.

Additional Resources

We also recommend the following resources to help you deepen your understanding of AI in HR:

- Book: **Prediction Machines:** The Simple Economics of Artificial Intelligence by Ajay Agrawal, Joshua Gans, and Avi Goldfarb.
- Article: **'The Ethical Use of AI in HR'** – Harvard Business Review.
- Website: **AI Ethics Guidelines** – European Commission.



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