



Executive
Perspectives

Unlocking Impact from GenAI and Agentic AI

Human Resources

February 2026



Introduction

As part of our ongoing series of C-suite conversations on AI, we continue to track and share the latest developments in this fast-evolving space. In just the 12 months since our last Executive Perspective was published, **the pace and nature of change has accelerated:**

- AI agents, largely absent from roadmaps a year ago, now **reliably complete 1-hour tasks**, a milestone not expected until 2026
- The length of automatable tasks continues to **double every 7 months**
- Open-source models like DeepSeek now match GPT-4-level performance, **collapsing an expected 12–18 month capability gap**
- Token costs for frontier-level performance have **dropped ~10x**
- **Multimodal capabilities** (voice, image, video) have become mainstream

Meanwhile, broader forces from emerging global regulations to economic turbulence to shifting workforce dynamics are **raising the stakes for responsive, human-centered transformation**. And as AI evolution continues to defy linear predictions, planning for uncertainty has become a core leadership challenge

We've refreshed this edition of the Executive Perspective to reflect these shifts. But the pace and nature of change is unlikely to slow. If anything, it **underscores the need for HR leaders to operate with unprecedented agility** - because in a world where we're outperforming our own projections in under half the time, adaptability isn't a best practice; it's a strategic necessity

This document is a guide for CEOs and CHROs to cut through the hype around AI in HR and understand what creates value now and in the future

In this BCG Executive Perspective, we share how to leverage AI to transform and create value in HR



Unlocking impact from AI in Human Resources

CHROs are being called to operate at two speeds

The CHRO's role is expanding **from steward of human capital to architect of a hybrid workforce**, responsible for integrating agents, advancing enterprise-wide talent and upskilling agendas, and serving as a strategic advisor on future org design, agile ways of working, and a culture of innovation and trust

HR must **operate at two speeds**: stabilizing foundational systems and technologies while simultaneously experimenting with GenAI to reinvent work, structure, and culture

AI agents are rapidly reshaping the role of HR

Autonomous agents are a step-change in AI, already shifting how decisions are made, tasks are completed, and work is organized, with **deployments underway in HR areas like recruiting and shared services** already

AI agents are **fundamentally reshaping HR's purpose**: forcing a redefinition of where human work is essential, how entry-level talent is structured, and how organizations design roles, skills, and workflows in an increasingly agent-augmented environment

A new, agile HR operating model is needed

To keep up with the pace of AI-driven innovation and change, **HR must evolve to a more agile structure** centered on employee journeys and outcomes, making **immediate use of tools such as vanguard teams to rapidly experiment** and continually prepare for an unpredictable future

De-averaging is critical - HR must focus AI investments where ROI is highest, rather than taking a one-size-fits-all approach across roles, the function, or the enterprise

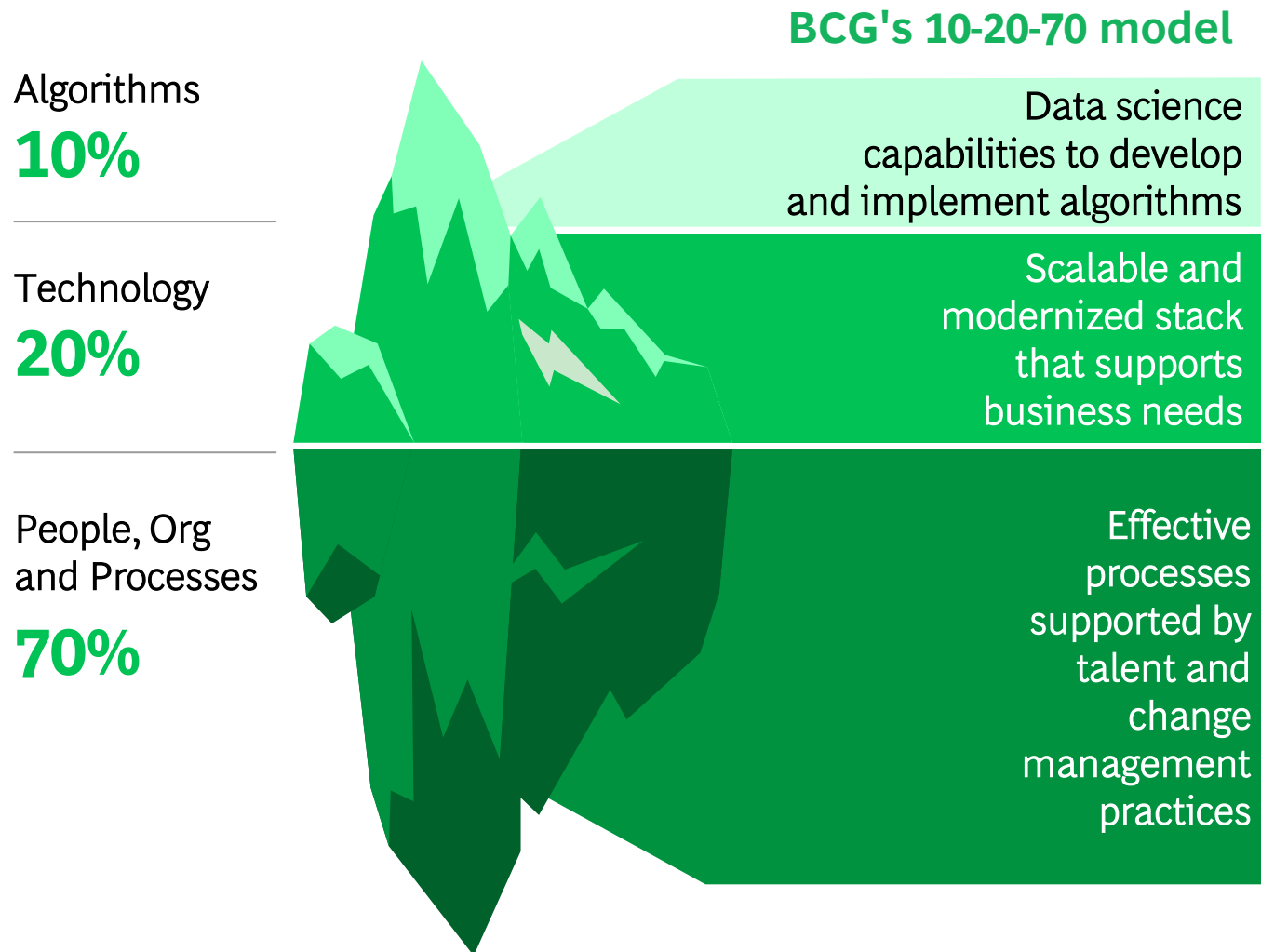
HR's leadership in AI must set the tone for the entire enterprise

Companies are **already actionably redesigning to be AI-first**, and **HR has a unique opportunity to lead this shift** from both structural and cultural standpoints

In order to learn, model, and eventually drive this change across the enterprise, CHROs should advocate for **HR to be among the first functions for AI** investment and updated ways of working

In order to capitalize on the value of AI we must address challenges head on

Most AI roadblocks stem from the “70” People, Org and Processes



2 in 3

- companies struggle to:
- Reimagine workflows
 - Hire AI talent and upskill workforce
 - Drive incentives
 - Adapt culture

Root cause

Most are still investing (time and money) on tech and not enough on the fundamentals

1. Based on regression against probability of being a AI value creator, defined as the average of expected cost savings and revenue uplift from AI initiatives being >=5%; Note: Leading companies are AI Future-Built and AI Scaling. Laggards are AI Piloting and AI Activating
Source: BCG 2024 Global Study on AI and Digital maturity; n=1,000

HR organizations face unprecedented demands as the future of work unfolds

Evolution in the future of work



AI agents as digital collaborators, autonomously executing tasks and collaborating across systems



Requirements of HR

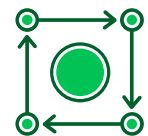
- Redefine work & rewire processes; adapt org structures and operating models to include autonomous agents
- Rethink entry-level roles and career paths
- Build dynamic workforce planning capability
- Upskill to drive AI adoption
- Update performance mgmt. to emphasize outcomes



Rethinking skills, changing how and where we source talent



- New approach to AI-driven internal mobility – enabling personalized development and redeployment at scale
- Adopting tech-enabled real-time skill verification
- Shifting work design from roles to skill- and task-based models (gig / fractional)



Companies redesigning as AI-first, embedding AI at the core of processes, structures, and value creation



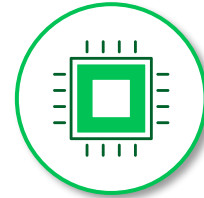
- Structure HR to drive cross-functional agility
- Rethink job architecture and performance metrics
- Culture and capability shifts to support AI-integrated operations
- Lead enterprise-wide AI readiness

Backup for grounding definition



What is an agent?
AI that uses tools
to accomplish goals

What
an agent
IS



Memory

Ability to remember
across tasks and
changing states



AI Models

Uses one or more AI
models, usually an
LLM¹ or SLM¹



Systems

Accesses external
systems on your
behalf

What
an agent
DOES



Observes

Collect and process
data from
environment



Plans

Evaluate
possible actions
and prioritizes
towards a goal



Acts

Execute by
leveraging internal or
external
tools/systems

1. Large Language Model (LLM), Small Language Model (SLM)

CHROs aren't just evolving HR - they're helping to redefine how the entire organization works

HR must transform itself...

Responsibility for more than humans

- Define how AI agents are deployed, tracked, and integrated into teams
- Designing collaboration models between humans and digital agents

Building new capabilities and features of culture

- Own the upskilling agenda - technical, behavioral, and managerial
- Redesign talent models for skill-based, dynamic deployment

HR as the org's living prototype

- Leading by example in AI integration – agility, testing learning, and modeling
- Balancing large-scale change portfolio while still running core processes

...But also plays a critical role in supporting enterprise transformation

Enterprise architect for AI-first op model

- Best positioned to shape new org structures that place AI at the core
- Designing collaboration models between humans and digital agents

Guardians of workforce trust

- Responsible for employee experience & sentiment, increased importance w/ AI
- HR's ownership of ethics make them natural lead on AI governance & fairness

Redefining work itself

- Shaping org stance on what is and what needs teammate vs. tool
- Rethinking the relationship between workforce, talent, and people across the org

Therefore, HR has two mandates for AI: reimagining HR of the future, while leading the enterprise through AI transformation and value creation



Design HR function of the future

Define the vision and role of HR in the AI era

Re-imagine HR org and op model, including capabilities

Identify, prioritize, and shape GenAI and agentic AI use cases

Innovate, (build) and pilot

Scale and upskill



Prepare for enterprise scaling of AI

Set up vision, guardrails, and activation mechanisms

Re-imagine work in context of E2E reshaping of critical functions

Evolve talent strategy

Execute and iterate

The pace of change will continue to accelerate in a world of AI agents, redefining how HR operates and delivers value

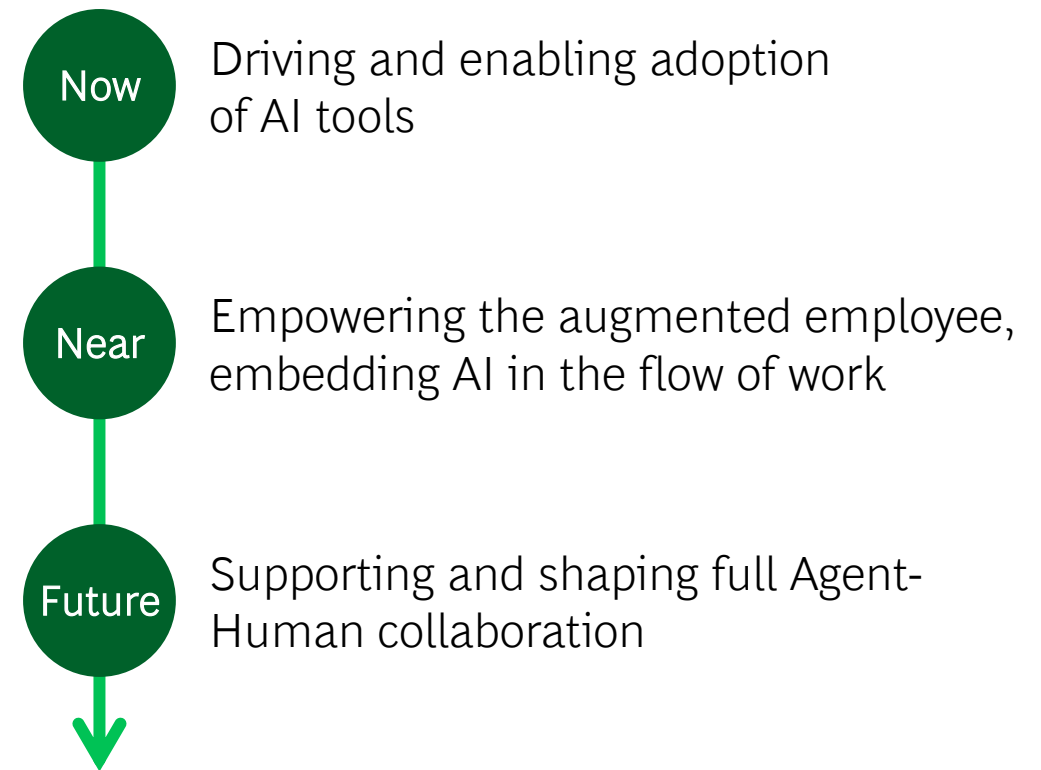
1: How CHROs will deliver HR of the future

An agent is an AI-driven tool designed to **autonomously manage tasks or processes**, often tailored to interact with humans and other agents to optimize operations & decision-making

By 2030, AI agents are expected to drive up to two-thirds of enterprise workflows,¹ **transforming the end-to-end employee experience**

Agents are poised to **radically accelerate HR's transformation** from a traditionally administrative function into a dynamic, strategic driver of business value – **enhancing decision-making and empowering HR professionals** to play a more active role in building future-ready workforces

HR's role in the enterprise will evolve quickly as agents become more mature



AI is not simply ‘hype’ in this new vision – it is a critical lever, and HR functions who adopted early are already seeing the results

1: How CHROs will deliver HR of the future

Where have HR teams started?

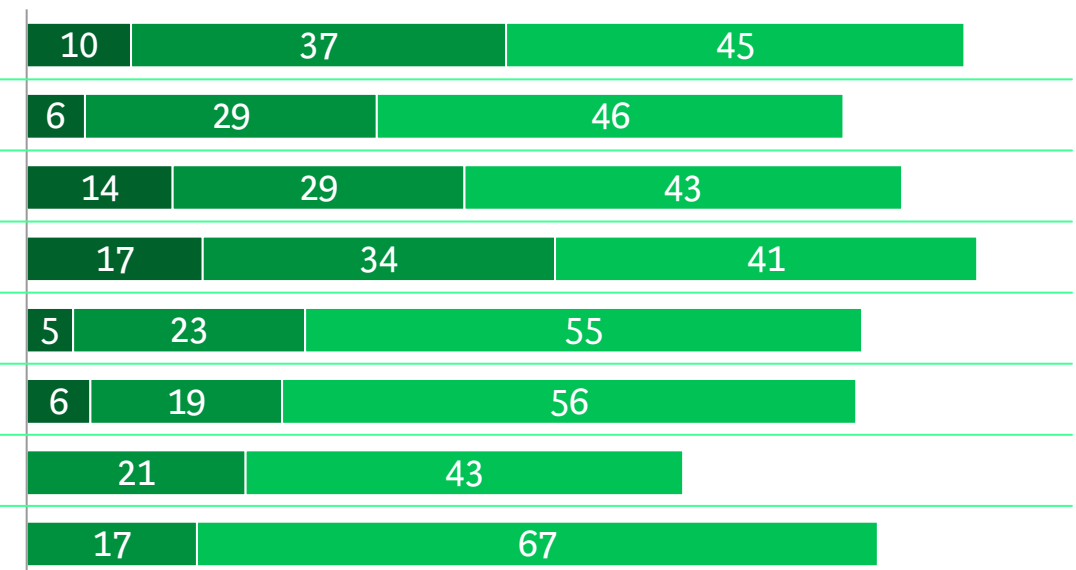
Gen AI is already widespread across HR functions, with emphasis on Recruiting, L&D, HRIS & People analytics

From BCG’s 2024 CHRO AI survey: for which specific HR function are you leveraging Generative AI capabilities?



Estimated productivity gains reported across HR roles - >90% seeing time savings in Recruiting & HR Admin

From BCG’s 2024 CHRO AI survey: how would you estimate the productivity gains/decrease of time spent on the various roles to date?



Estimated productivity gains (%): ■ >30% ■ 10-30% ■ 0-10%

HR AI key workflows already deliver 20-30% impact, expecting to reach 30-40% once fully deployed

1: How CHROs will deliver HR of the future

HR

Key workflows

Automated HR service desk

Resolving employee inquiries in real-time through chatbots and workflow automation, reducing manual workload

Payroll processing & cost control

Ensuring accurate, timely payroll with anomaly detection

Personalized Learning and Career Acceleration

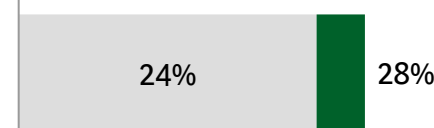
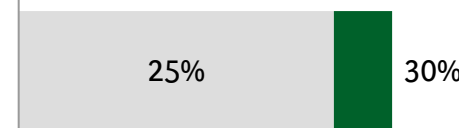
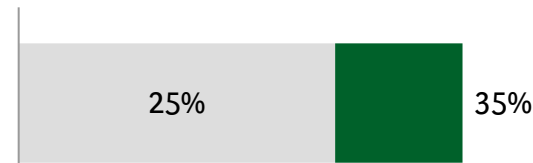
Dynamically adjusting upskilling paths based on employee performance, role demands, and business needs

Precision recruiting and talent matching

Optimizing candidate selection with predictive analytics to improve hiring speed and quality

Efficiency gains

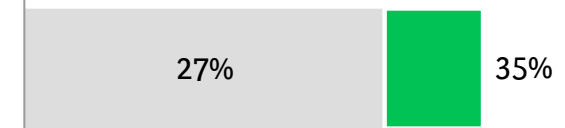
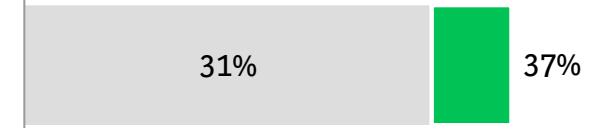
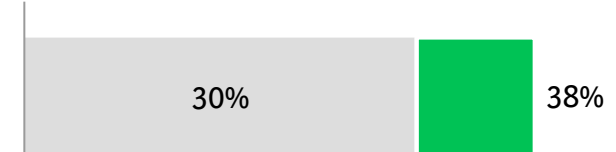
Headcount Reduction



Legend: Current impact¹ Expected when fully deployed²

Employee experience enhancement

Employee experience improvement



1. What is the impact of AI on this workflow today? [WKF 6], 2. What impact do you anticipate for this workflow once it reaches the fully deployed stage? [WKF 7],

E2E process re-imagination is critical for HR to break the historical compromise between productivity and employee engagement

1: How CHROs will deliver HR of the future

☆ Example follows

	Anticipate	Attract			Develop		Engage	
	HR strategy and planning	Recruiting and resourcing ☆	HR admin/ shared services ☆	Compensation and benefits	Learning and development	Performance and career mgmt. ☆	Employee engagement	Employee relations
From:	Manual data producing static results	Losing top candidates due to lengthy process and human bias	Siloed teams providing fragmented service and long wait times	Information stored in different places, time-intensive to get answers	Time-intensive content creation, fragmented employee experience	Highly reliant on human opinion , often providing feedback too late	Reliant on employees to raise issues/ concerns	Manual and time-intensive documentation and reporting
To:	Dynamic forecasting of future workforce needs and proactive workflow re-designs	Autonomous agent sourcing , screening, and interview coordination	Independent agentic inquiry resolution and immediate automated support from 'hire to retire'	Chatbots and agents to help employees find personalized information quickly	Agents drive adaptive learning and offer just-in-time coaching to maximize impact	Delivering real-time feedback and performance insights , with corresponding trainings / skill dev	Predicting issues by monitoring and analyzing employee sentiment and proactively flagging	Automating admin to enable time for human engagement around inquiries
Tech maturity:	Near Tools exist for forecasting and modeling, but integration is early-stage	Tablestakes GenAI widely used for sourcing, screening, and interview automation	Tablestakes Mature tools for chatbots, routing, and case resolution	Near AI supports benchmarking and personalization, but agent use in modeling has just begun	Here Personalized learning via AI available; agents beginning to guide development	Near Feedback and career tools emerging, but legacy systems dominate	Here Sentiment and attrition tools are in widespread use	Near Early-stage AI for issue triage and risk detection

Today's accessible technology already driving impact; GenAI tool to drive enhanced review writing and better manager experience

1: How CHROs will deliver HR of the future

Before

From tedious process, with variable quality...

Managers spending ~4 hrs * 8 reviewees – with inconsistent quality across reviews

After

...more robust & consistently written reviews

Faster, better output with custom, proprietary GPT based on Client's performance mgmt priorities

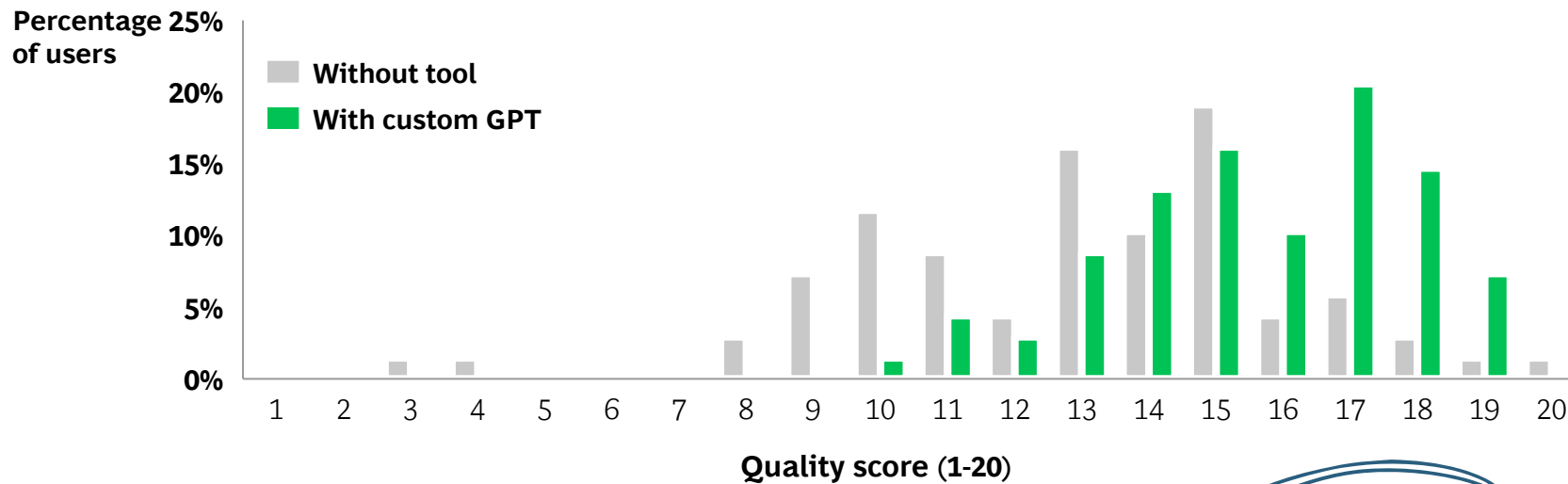
What we saw

Cut review-writing time by **~45%**, saving **1,000+** hours of manager time – at no incremental cost

Improved review quality by **22%**², driving stronger development outcomes

~90% managers reported materially enhanced review experienced

Overall quality score distribution: With and without GenAI



Starting score **13** Increased to... **16** **22%** Increase in review quality

“ The tool is really useful — for me, the benefit is about helping to **get started and doing the synthesis**

“ This tool **changed my life** this year-end review season! While it did still take time, I was able to get all my **reviews turned in on time before the deadline**

Note: No difference in average performance rating between “no tool” and “with tool” sample
 Source: Structured qualitative assessment of 68 reviews for “no tool” and “with tool” user groups
 1. Each review is independently assessed by 3 HR experts for quality according to a standard rubric and the final score is calculated as the average of their evaluations; 2. Mean (standard deviation) quality score for “with tool” reviews is 15.6 (2.2) and “no tool” reviews 12.8 (3.2) or a 22% higher quality

All-human processes have already been improved through GenAI...

1: How CHROs will deliver HR of the future

Attract

Illustrative

	Forecast	Attract	Source and Screen	Interview and Assess	Select and Convert	Onboard
Human only Yesteryear	<p>Gather last month's competitor and labor market data manually</p> <p>Identify potential risk areas and skill gaps via recruiter insights</p>	<p>Compile campaign results and present them in a recruiter-led team meeting</p> <p>Draft JD and post to 10 'best guess' relevant job boards</p>	<p>Review applicant flow to shortlist candidates based on recruiter discretion</p>	<p>Select shortlist; share with HM and use RCs to schedule</p> <p>Interview panel formulates follow-up questions</p> <p>Document each candidate's performance and feedback manually</p>	<p>Rank candidates based on recruiter and HM judgment</p> <p>Draft a compliant offer, refine based on feedback</p>	<p>Notify line managers of start dates and onboarding tasks</p> <p>Welcome new hires w/ personal messages & orientation materials</p>
RPA/AI/ genAI Yesterday	<p>Compile competitor data, flag skill gaps, & suggest hiring needs</p> <p>Highlight potential risk areas in dashboard</p>	<p>Analyze campaign performance and draft an improvement plan</p>	<p>Post the job across best-performing boards</p> <p>Filter applicants via pre-set criteria and rank them in real time</p>	<p>Propose tailored follow-up questions</p> <p>Trigger interview scheduling and log feedback automatically</p>	<p>Rank candidates on multiple objective criteria</p> <p>Draft offers emphasizing each candidate's EVP</p>	<p>Track onboarding progress and alert managers to tasks</p> <p>Send personalized welcome emails and required forms</p>

And further efficiencies expected with single and multi-agent interactions

Attract

Illustrative

	Forecast	Attract	Source and Screen	Interview and Assess	Select and Convert	Onboard
Single agent Now & next	Proactively summarize competitor hiring trends from last month	Compile report on the results of campaign and schedules a debrief	Independently assess workforce for potential internal mobility	Review screening feedback, craft tailored follow-ups, and share	Continually adjust candidate rankings and flag significant changes	Identify onboarding needs, & alerts HMs with action items
	Flag highest attrition risks based on profiles and recent behaviors	Tailor software engineering JD for specific role, post to top job boards based on historical data		Summarize & distribute feedback to candidate	Assemble and share custom offer	Proactively craft and send welcome email
Multi agent Near future	Wkforce planning agent proactively IDs hiring need to sourcing agent	Sourcing agent continually scans talent pool, engages high-need profiles based on workforce planning agent intel		Assessment agent customizes interviews to assess relevant skills based on screening data	Assessment agent provides real time summaries, selling points and shares w/ offer agent for closing	Assessment agent evaluates interviewer, coordinates w/ perf. mgmt agent to share post-mortem
	Silver-medal candidates redistributed to other roles by sourcing agent	Sourcing agent evaluates candidates based on screening criteria, feeds intel to assessment agent	Market intel agent collects data from sourcing and assessment agents, feeding analysis back to market intelligence team			
	Product agent supports solution engineers by analyzing pain points in terms of time / effort / candidate experience; proposes features for product team to develop					

This implies a phased journey towards full recruiter/agent workflows

1: How CHROs will deliver HR of the future



Description

- Human only**
 - Entire process manual
 - ATS is present but passive
 - Processes vary widely by team
 - Reliant on tribal knowledge or workarounds
- RPA/AI/genAI**
 - Foundational upgrades and point solutions begin streamlining workflows (e.g., scheduling, assessments)
 - Building consistent data for future AI use
- Agentic AI**
 - Copilots offer suggestions, next-step prompts, and some short-term reasoning
 - Agents support high-volume tasks
 - Recruiters are coached
- Multi-agent**
 - Agents coordinate to independently manage processes, surface exceptions, and seek guidance when context is unclear

Core enablers

- Human only**
 - ATS (e.g., iCIMS)
 - Email/calendar tools
 - Spreadsheets and trackers
 - Disconnected tools with little integration
- RPA/AI/genAI**
 - ATS
 - Point solutions for screening, sourcing, assessments
 - Smart templates and forms (for JDs, offers, etc.)
- Agentic AI**
 - Embedded Agent copilots
 - Conversational UI
 - Workflow automations
- Multi-agent**
 - Agents with memory and multi-step reasoning
 - Deep system integrations (ATS, CRM, HRIS)
 - Self-updating data flows

Role of recruiter

Human only — **Doer and tracker** — owns every step

RPA/AI/genAI — **Operator** using enhanced tools to save time

Agentic AI — **Coach and curator** — guided by AI, but in control

Multi-agent — **Strategic partner**, exception handler, and human touchpoint

EXAMPLE

HR admin / shared services

Multi-agent models will be able to autonomously drive support & resolutions

1: How CHROs will deliver HR of the future

Illustrative

Virtual Assistant (Demo)

I submitted a request to transfer to the Boston office last month, but haven't heard anything yet. Can you check the status?
1:29 PM

I found your transfer request logged on May 28
1:29 PM

Status: Under Review – HR is coordinating with the Boston office
1:29 PM

I can:

- Connect you with your HR Business Partner
- Remind the Boston team of your interest
- Provide estimated timelines for decisions

What would you like to do?
1:30 PM



Available Agents

General HR Info

Fallback for general employee questions

HR Requests

Handles HR-related inquiries like transfers, promotions, etc.

Policy & Eligibility

Clarifies policies, eligibilities, timelines

Transfer Status

Tracks the progress of office/location transfers

HRBP Connect

Routes to assigned HR business partner for follow-up

Out-of-Scope

Handles predefined topics that fall out of chat scope



Guardrails

Relevance Guardr.

Ensure requests relate to internal HR processes

Confidentiality ...

Restricts access to PII, feedback, or select decisions

Escalation Guar...

Detects high-sensitivity concerns and flags for HR escalation



Conversational Context

Employee_ID:

EMP-123456

Transfer_request_date:

05-28-2025

Current_location:

Minneapolis

Target_location:

Boston

One engagement instantly activates the right agents

- A simple user request automatically routes to the right combination of agents; the user does not need to know where to go or who to ask.

Policy embedded via guardrails, even at scale

- All sensitive actions are subject to built-in controls; agents follow policy constraints, limit access to scoped data, and verify authorization

Reusable across personas and use cases

- The same underlying orchestration can support employees, managers, candidates, and internal teams

Need a modular, agent-driven tech stack to enable next generation of employee experience

1: How CHROs will deliver HR of the future

Potential solve for tech stack complexity that arises from leveraging many varied best-of-breed point solutions: an AI-integrated user interface layer to manage agent selection and interaction and drive seamless experience

All Users: Human and AI

Variety of stakeholders looking to access data & apps

Unified Agent Interface

Enabling personalized interactions across all channels

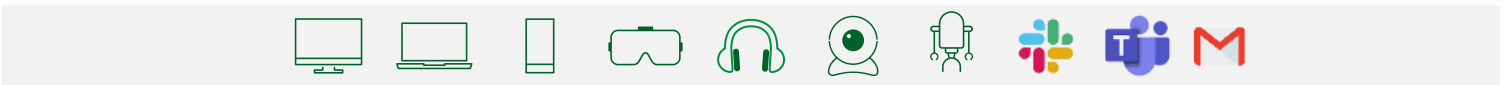
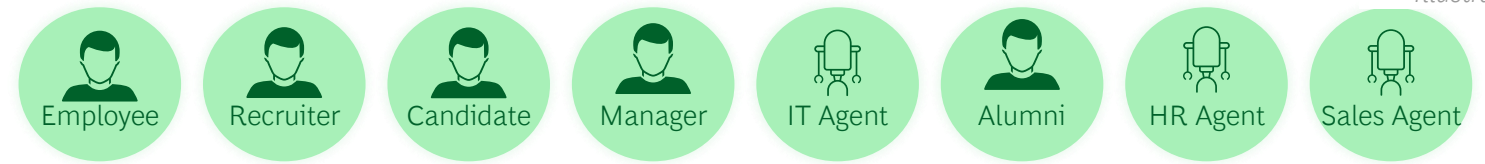
Specialized HR Agents

GenAI and rule-based agents designed to automate and optimize - can operate independent or together

Human/Agent Orchestration Layer

Coordinates agent collaboration, knowledge sharing, and process handoffs

AI Intelligence Knowledge Layer



Structured Data | Unstructured Data | External Data | Taxonomy | Entity Recognition & Linking | Metadata | Inference | Access Controls

Pace of change means that HR op model must evolve from a process orientation to one focused on adaptability and outcomes

1: How CHROs will deliver HR of the future

From: An HR function optimized for efficiency and business alignment

Siloed Centers of Excellence (CoEs) with responsibility for process design, based around functional expertise



To: An adaptive HR function focused on maximizing business value

Agile, multi-disciplinary teams with E2E responsibility for design and execution of experiences and outcomes

Large pool of HR Business Partners, aligned to business units



Very few HR Business Partners, aligned to senior leaders

Transactional work performed by Service Centers



Transactional work performed AI Agents, supported where required by on-call subject-matter experts

Focus on process



Focus on outcomes and impact for the business

HR teams with deep functional skills/knowledge



Functional expertise plus a growing emphasis on work design, data and analytics, product management, change management

To effectively deliver, HR needs to move forward at two speeds: optimizing today while simultaneously building for tomorrow

1: How CHROs will deliver HR of the future



Speed 1: Get today right

Modernize core operations to improve efficiency, reliability, and credibility

- Eliminate manual workarounds: move beyond spreadsheets, shared drives, and disconnected system
- Upgrade HRIS, workflow tools, and data hygiene to enable smarter decisions
- Deliver consistent, user-friendly employee experiences that earn trust and free up capacity
- Establish the digital foundation needed to scale innovation

Speed 2: Build for what's next

Start now on GenAI, agents, and new ways of working - even if the basics aren't perfect

- Pilot agent-based tools for recruiting, employee support, and workflow orchestration
- Use real HR problems as testbeds for experimentation and capability building
- Design future roles, org structures, and work models in parallel with today's improvements
- Build innovation muscle while solving current pain points; these efforts can reinforce each other

What is a Skunkworks Team?

A **cross-functional HR team** composed of dedicated or partial resources, focused on **rapidly testing and implementing innovative approaches and/or tools**

Can be stood up today to help bridge to future

Example scope / remit



Proactively scout emerging tech and trends for HR application



Partner with BUs to co-design and pilot innovative HR tools and service models



Run rapid test-and-learn cycles to validate and refine solutions



Maintain a rolling portfolio of initiatives from concept to scale



Function as a CoE for innovation, enabling knowledge transfer across HR

Target impact

Reinvent the people side of work by rapidly turning emerging tech into practical, high impact solutions through experimentation – such as ...

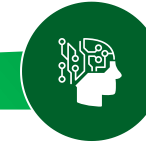
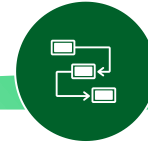
... **Incorporating agents into the org chart:** embedding virtual agent roles in day-to-day tasks for seamless workflow

... **Human-free model for low complexity work:** end-to-end automation opportunities

... **Agent-led candidate prep or performance mgmt:** real-time practice and feedback

Tasks, talent, and teams will evolve with AI

2: How CHROs will support the enterprise-wide AI transformation



AI Maturity

Tool-based adoption

AI as a **tool** used by individuals

Workflow transformation

AI **embedded in team** processes

Agent-led orchestration

AI agents **orchestrating E2E workflows**



Tasks

GenAI assists existing tasks, boosting speed & quality w/o changing core workflows

> Shift from manual execution to co-creation, **GenAI embedded into team processes** / core tasks

> **Execution by AI agents**, with humans supervising agents that now largely own E2E tasks



Talent

Roles unchanged, upskilling in areas like prompt writing, AI testing, and AI output review

> **New skills needed** in data, oversight, & system collab. and **roles fundamentally evolve**

> **Humans are orchestrators**, setting strategy, managing agents, and handling exceptions



Teams

Org structures stay stable, with GenAI used individually and **limited headcount** impact

> **AI joins teams** as a collaborator, driving cross-functional work and **phasing out some roles**

> AI agents become autonomous teammates, **flattening orgs** and forming **hybrid human-AI teams**



Human

AI



Human

Agent



Human

Agents

Organizations are already gaining significant value from agentic workflows; CHROs must prepare the enterprise to operate in a fundamentally new way

2: How CHROs will support the enterprise-wide AI transformation

Bloomberg

Bloomberg's compliance agents rigorously check facts, catch edge-case risks and minimize exposure to costly mistakes. Agents execute structured workflows, **reducing time-to-decision by 30-50%**



Google's AlphaEvolve Gemini-powered coding agent produces human-readable code, deployable by engineers without rework. Solves problems with built-in evaluators, enabling rapid, autonomous feedback loop, and improves its own performance, achieving a **23% training speedup** in the systems that power it

Booking.com



Booking.com's and **Jane Street's** coding agents reclaim developer time – culling dead code, cleaning up cruft, assist with code reviews and cut cycle times by **30%+**

Brightwave

Brightwave's research agents turn 10,000 pages of legal and financial text into crisp decision-ready takeaways- on demand, and at scale. Agents are able to cross reference diverse data sources in real-time, continuously refining their own output



BCG delivered 300+ GenAI agents across 100+ clients, unlocking up to 90% cost reduction, 50–75% faster execution, and **30–40% productivity uplift** across critical business functions within various industries¹

1. Metrics are illustrative, depending on specific implementation context, and not guaranteed
Source: AI Engineering Summit 2025, Bloomberg, Booking.Com, Jane Street, Brightwave, LinkedIn; BCG

What does this mean?

...For Tasks

AI is now a tool for **both executing tasks and redesigning** how work gets done

...For Talent

Every role must be redefined to complement AI's capabilities

...For Teams

Hybrid teams are no longer optional: they are **operational reality**

The most cutting-edge companies are already working backwards from an **AI-first posture to reimagine**

2: How CHROs will support the enterprise-wide AI transformation

Elevating AI organizationally

Formally positioning AI agents as part of the enterprise, not just adjunct tools

Large tech company explicitly including AI agents on org chart¹



Aligning AI accountabilities

Creating cross-functional programs, with joint AI accountability



CLO & CIO share KPIs on AI risk mgmt & tech adoption²

Reimagining labor

Shifting the default role from presumably human to presumably agent

Requiring justification of human hires: why can't AI do this?³



Merging Tech & HR depts. to redesign teams across humans and automation⁴



Activist Techniques

Incentivizing adoption

Programs to incentivize individual acceptance, learning, and uptake of AI



Large financial institution implementing new financial incentive kicker program⁵



Fiverr CEO issued company-wide call to AI mastery to avoid role obsolescence⁶

Rethinking operations

Willing to rebuild the way we work from scratch – to embed AI thinking into every workflow & habit



Duolingo rebuilding product development and made a daily mandate of "AI-first"⁷



Box CEO pushing AI-first reinvention of workflows, to embed automation, experimentation, and upskilling into daily ops⁸

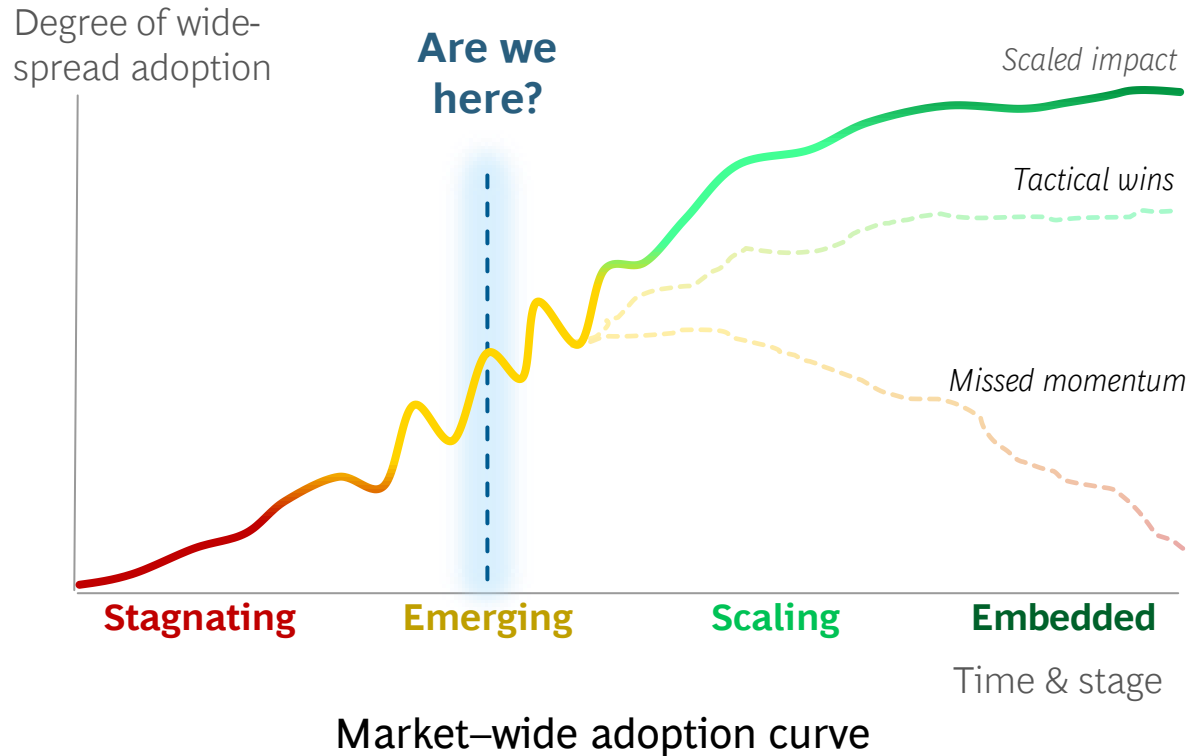
Source: 1. Client data; 2. Panel discussion; 3. [WSJ "Shopify Says No New Hires Unless AI Can't Do the Job"](#); 4. [WSJ "Why Moderna Merged Its Tech and HR Departments"](#); 5. Client data; 6. [The Economic Times "Fiverr CEO Micha Kaufman delivers blunt reality check"](#); 7. [Duolingo LinkedIn release](#); 8. [Box press release](#)

Today, we are in 'the messy middle' of wide-spread culture shift, where opportunity is high but impact is uncertain

2: How CHROs will support the enterprise-wide AI transformation

Illustrative

As AI uptake continues, and more data emerges...



...increasing signals that we are in 'the messy middle'

Ongoing media coverage & analysis are offering **contradictory data and predictions** about the expected impact of AI



A quick look back:

1970s: ATMs & bank tellers
Anticipated to replace tellers, but teller roles expanded¹

1980s: Excel & accountants
Predicted to reduce accounting jobs, but demand rose²

2020s: AI & radiologists
Expected to make obsolete, but the field has already grown w/ AI tools³

2025+: Agents & _____?

Mid-adoption, we may **anticipate the scale** of change, but we **don't have a linear view** to the actual impact

Source: 1. American Enterprise Institute; 2. NPR "How the Electronic Spreadsheet Revolutionized Business"; 3. NYTimes "Your AI Radiologist Will Not Be With You Soon"

A 'T-shaped' change strategy is needed to drive broad AI fluency and deep functional transformation

2: How CHROs will support the enterprise-wide AI transformation

Top of the T:

Drive adoption across the enterprise

e.g., regular usage of ChatGPT, Gemini, M365 Copilot



Bottom of the T:
Transform roles and operating model
from hire to retire

e.g., fully reinventing processes, expectations, and ways of working – across each 'slice' of the enterprise

Delivers immediate benefits while building enterprise readiness

- Drives marginal productivity returns
- Builds AI fluency and transformation preparedness at scale across the org
- Attracts top talent with a more compelling and tech-forward EVP

Delivers structural long-term change and unlocks sustained value

- Deeply and thoughtfully re-imagines how work gets done, with the answer likely different across each BU
- Unlocks step-change gains through workflow redesign and end-to-end tool integration
- Grows value as new use cases are identified and scaled

Highest value realized when HR successfully embeds 'work reimagination' as a repeatable capability in partnership with the business

HR's role therefore is to:

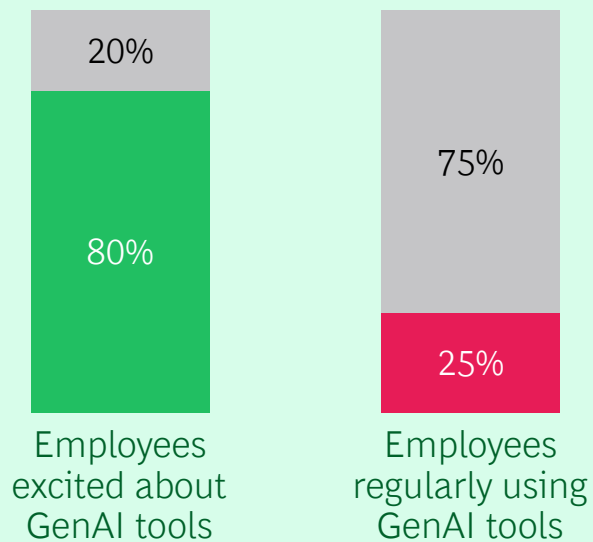
- **Foster adoption** & create the conditions for it
- **Anticipate** impact on tasks, talent, and teams and develop a skills-based plan for the evolution
- Mitigate impacts and bridge the gap through L&D, enabling continuous **upskilling**
- Reflect the evolution through new **org constructs and operating model**

ADOPTION

Despite the pace of change, many organizations are facing a stubborn AI (non)adoption paradox

2: How CHROs will support the enterprise-wide AI transformation

BCG research suggests that after GenAI rollout, enthusiasm is often high but adoption low:¹



66% of executives are **ambivalent or dissatisfied** with GenAI progress in their orgs to date²

Adoption challenges are primarily driven by people and process...



Steep learning curve, tendency for employees to revert to familiar methods when short on time

...highlighting the need for human-centric approaches with HR at the core

Dedicated change management backed by behavioral science



Existing operating model and ways of working not aligned to GenAI ambition

Reimagined processes and org design to enable GenAI ambition in line with enterprise strategy



Insufficient org capabilities and workforce readiness

Realigned talent acquisition, upskilling/reskilling, and retention strategy to meet organizational needs



Numerous, fragmented GenAI initiatives with limited visibility into what drives greatest value

Clear 'case for change' for employees; top-down target setting and value-driven governance

1. Source: BCG External SW Development Survey (2024). 2. Source: BCG AI Radar (2024), n=1406 in 50 markets.

Holistic change mgmt is the key to unlocking value from GenAI

Five sets of levers, anchored in the employee experience and tailored to stakeholder personas

2: How CHROs will support the enterprise-wide AI transformation

Change priorities	Example levers	Outcomes from effective change mgmt
<p>INFORM</p> <p>What is going on?</p>	<ul style="list-style-type: none"> • Clear & consistent ‘case for change’ • Comms plan with easy-to-understand messages tailored to audience needs 	<p>> +19% increase in transformation success with clear case for change</p>
<p>INSPIRE</p> <p>Why is it important to me?</p>	<ul style="list-style-type: none"> • Stakeholder engagement plan • People activation roadmap with intrinsic & extrinsic motivators • Leader behaviors & role modeling 	<p>> +62% increase in transformation success with stakeholder-specific engagement plans</p>
<p>INSTRUCT</p> <p>What do I need to do and how?</p>	<ul style="list-style-type: none"> • Foundational org-wide curriculum • Persona-based learning journeys & on-the-job practice 	<p>> 3x increase in tool adoption with personalized learning</p>
<p>INVOLVE</p> <p>How can I contribute?</p>	<ul style="list-style-type: none"> • Co-creation of tailored / personalized solutions & ongoing feedback • Activation of communities of practice 	<p>> +20% increase in transformation success by involving end-user in solution design</p>
<p>INTEGRATE</p> <p>How do we hardwire lasting change?</p>	<ul style="list-style-type: none"> • Nudges embedded in existing forums to drive and sustain change • Broader context changes, e.g., role definition, perf mgmt, org structures 	<p>> +90% increase in transformation success by using interventions informed by behavioral science</p>

HR needs to deliver dynamic skills-based talent planning to address disruption and ensure 'right talent, right place, right time'

2: How CHROs will support the enterprise-wide AI transformation

1 What skills do I need? In what quantity?

Predict how jobs and staffing needs will change

Assess how skilled employees need to be for specific tasks

	1	2	3	4
A	●	●	●	●
B	●	●	●	●
C	●	●	●	●
D	●	●	●	●
E	●	●	●	●

2 What is the current workforce potential? What new career paths exist?

Understand what skills our current employees have

Match to jobs based on possessed skills

3 How to best fill supply-demand gaps? What are no regrets talent moves?

Dynamic workforce plan

Sourcing and upskilling strategy

Current state → Attrition/exit → Baseline → Build → Buy → Borrow → Future state

Build: Launch upskilling strategy
Buy: Identify new talent sources
Borrow: Activate contingent labor

4 How do I comprehensively enact this change?

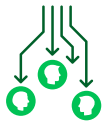
To enable skills shift, HR needs to drive a major shift in L&D...

From...



Compliance & “Leadership” Focus

Focused on compliance and leadership trainings, with limited ownership of broader L&D strategy



Reactive Support Model

Responds to skill-building requests from BUs without proactively shaping learning agendas



Manual Content Creation

Time-consuming manual development of content for L&D (e.g., making new materials and videos)



Learning as an Event

Employees need to go to the learning (whether in person or online), separate from the workflow



Limited Understanding of Value

Currently tracked metrics (e.g., training completions) limit ROI estimation

To...



Value-Creation Focus

Accelerates targeted, high-value upskilling across the enterprise



Proactive Support Model

Proactively shapes learning agenda to get ahead of the changing skills landscape (e.g., AI)



AI-assisted Content Curation

Targeted and personalized content curation leveraging existing platforms and sources



Learning in the Workflow

Continuous, contextual, on-the-job learning enhanced by GenAI and tech tools



Clear Demonstration of Value

Clearly connects upskilling to business strategy and outcomes

AI roles within an organization



Roles that Shape AI

Business and functional leaders/experts who articulate business needs and integrate models into business processes



Roles that Govern AI

Professionals who monitor AI outputs to ensure software is driving returns while verifying AI is being used ethically



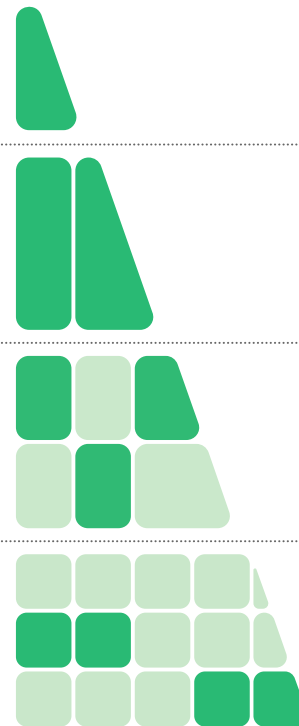
Roles that Build AI

Technology specialists who build and monitor AI and GenAI applications and supporting technology platforms



Roles that Use AI

Practitioners who can leverage AI to capture value & enhance productivity across different domains & roles



■ Early AI adopters ■ Next wave of AI adopters

Implications on L&D needs

Visionaries who identify **value capture from AI** and strategy for unlock; require understanding of AI potential and evolving opportunities, as well as clear understanding of leader role in change mgmt

Leaders who ensure **responsible use of AI** to guide the org to AI value unlock; require up-to-date understanding of AI regulations and ethics

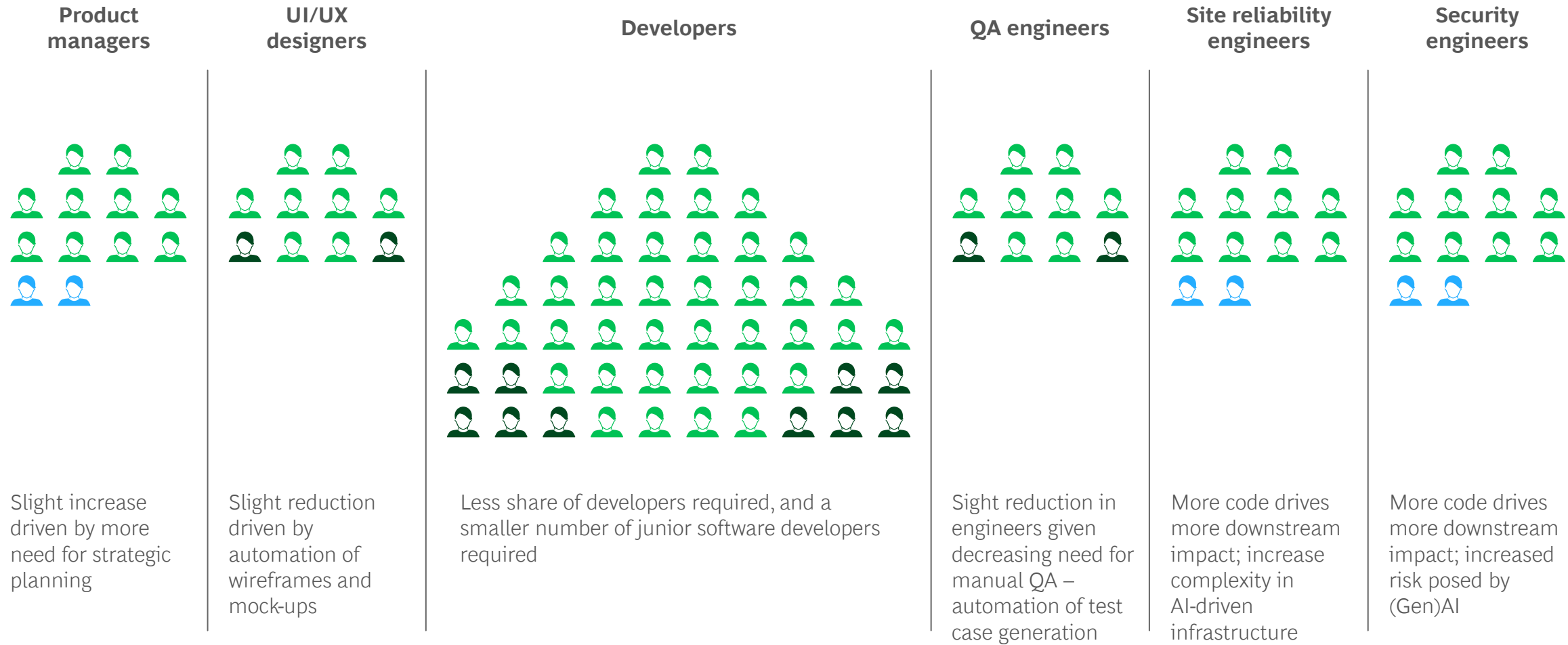
Implementers who build AI products and maintain technology, using **technical expertise** to deliver value from AI; require continuous learning & experimentation to stay in tune with tech trends

Contextualize upskilling by functional area, role, and expertise to accelerate value capture through **embedding new behaviors**; require on the job, in-workflow practice and nudges

HR must also support shifting organizational structures, as new AI-enabled workflows, roles, and skills change team needs

2: How CHROs will support the enterprise-wide AI transformation

Illustration: Pyramid mix will need to grasp full impact of process redesign



 Additional resource required

 Fewer resource required

CHRO priorities for the next 12 months

1 Make HR one of the first enterprise area to scale GenAI and agents

Use HR workflows to build proof of value and internal fluency; HR must learn fast enough to teach the rest of the org. As noted by a financial institution client: *"One of the first three functions we're starting with is HR, because HR needs to do this for the rest of the company"*

2 Establish AI narrative and change capabilities

Get ahead of employee concerns with case for change focused on benefits to employees (i.e., removing toil, driving impact) rather than leading with cost-out

3 Refresh skills-based strategic workforce plan for each function

Assess AI impact on roles and skills, activities, and functional organization; lead effort to redesign 2030 labor models

4 Upskill HR leaders to drive AI-enabled org and people transformation

Train HR in AI tool fluency, work redesign, and enterprise influence, including change management capabilities

5 Drive cross-functional alignment on AI usage norms

Establish clear recommendations for where, how, and when AI is used in decisions; publish for reference by broader enterprise

For HR

For enterprise

Key contacts for HR AI transformation

NAMR



Julie Bedard



David Martin



Allison Bailey



Renee Laverdiere



Dylan Bolden



Bill Beaver



Frank Breitling



Liz Lucero



Julia Dhar



Kristy Ellmer



Sesh Iyer



Matthew Kropp



Juliana Lisi



Jordan Lockhart



Vladimir Lukic



Rajiv Shenoy



Nithya Vaduganathan



Charles Westrin

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Vinciane Beauchene



Jens Baier



Jaap Backx



Nicolas de Bellefonds



Nina Kataeva



Erik Lenhard



Julia Madden



Tom Martin



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Marc Schuurin



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Ashish Garg



Sreyssha George



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BCG