HR Departments Are Not Ready for the Tsunami Ahead – And It's More Than Just AI

By Álvaro de Nicolás – CTIO and Org Design Advisor

Introduction: HR at a Crossroads

By 2030, nearly 40% of core job skills will have changed – a tsunami of disruption that most HR departments aren't ready for. For HR Directors in globally distributed, tech-driven enterprises, the mandate is clear: adapt or fall behind. Employees today demand more flexibility and purpose, driven by broadening digital access, which 60% of employers believe will transform their businesses by 2030 (Future of Jobs Report, 2025), while technology and new work models are rewriting the rules of how work gets done. This article examines four disruptive trends shaping the future of work and their practical implications for operations, workforce planning, and governance. We then explore how Generative AI (GenAI) -- which refers to AI systems capable of creating text, code, and other outputs -- is revolutionizing HR, why legacy HR tech vendors aren't keeping up, and what HR leaders must do to stay ahead. The urgency is real: failing to evolve means risking talent flight, stagnating productivity, and strategic irrelevance.

Remote Work: Bridging Employee Preferences and Productivity Paranoia

Flexibility is non-negotiable. Remote and hybrid work have become permanent features of the landscape. Employees overwhelmingly want flexibility – in one global survey, **81% of workers prefer hybrid or fully remote arrangements** (State of Hybrid Work 2023 | Global Report). Gallup similarly found that **nine in 10 remote-capable employees want some degree of remote-work flexibility going forward** (The Future of Hybrid Work: 5 Key Questions Answered With Data). For a company with teams across continents this makes intuitive sense. Remote work allows tapping global talent and serving customers across time zones. It can also boost employee satisfaction: workers feel more productive, balanced, and loyal when they have control over where they work (State of Hybrid Work 2023 | Global Report). Crucially, only a small minority of employees (roughly 1 in 5) still desire a fully on-site schedule so rigid in-office mandates will increasingly alienate the workforce.

Employers identify **resilience, flexibility, and agility** as essential skills in 2025, underscoring the strategic need for remote-friendly organizational designs that cultivate these attributes.

Yet a disconnect has emerged**. 85% of managers** remain uneasy about remote productivity despite 87% of employees reporting high productivity in Microsoft's Work Trend Index (Hybrid Work Is Just Work. Are We Doing It Wrong? - Microsoft) – even though **87% of employees report being productive** in surveys. including LinkedIn's Economic Graph data and Gallup surveys

In short, when leaders can't "see" the work happening, they fear it isn't happening – even when data shows the opposite. This paranoia can lead to counterproductive practices like covert monitoring (Hybrid working and the trust challenge - Raconteur) and "productivity theatre" (performative busyness to appease bosses). Such mistrust not only erodes morale but also ignores clear evidence: output often **increases** under hybrid models as employees repurpose commute time into work or learning.

From an operations perspective, clinging to old in-office norms can hurt. Companies that mandate full returns to office risk losing talent unwilling to sacrifice flexibility (one study found only **27% of employees** now want to be on-site full time). Conversely, embracing hybrid work can unlock productivity and cost benefits. A distributed company might reduce real estate costs and reallocate those savings into better virtual collaboration tools or data analytics that track performance. For workforce planning, remote work expands the talent pool dramatically: instead of hiring only in high-cost hubs, organizations can recruit in secondary cities or other countries, accessing skills that are scarce locally. It also enables more fluid capacity management – for example, using freelancers or part-timers across time zones to cover 24/7 operations or seasonal spikes.

Internal governance must evolve in turn. Policies on flexible schedules, “work-from-anywhere” arrangements, and data security for remote staff are now mission-critical. Managers need training to lead distributed teams and to measure **outcomes** instead of hours. The leadership mindset shift is paramount: moving from measuring presence to measuring performance. Those that fail to make this shift will find hybrid work unsustainable. Recent LinkedIn Economic Graph data from 2024 reveals an interesting bifurcation in remote hiring trends. While large and medium-sized companies reduced remote hiring by 3.0% and 1.2% respectively in 2024 compared to 2023, small businesses (fewer than 250 employees) continue to embrace remote work, with a 5.7% increase in remote hires during the same period. This suggests that workplace flexibility strategies may vary significantly based on organizational size and structure.

As *Satya Nadella* (CEO of Microsoft) noted, leaders must overcome paranoia and invest in employee thriving, because *“when employees thrive, organizations flourish”*. In practical terms, that means trusting teams, setting clear objectives, and supporting employees with the right tools – rather than dragging everyone back to their desks out of fear. The bottom line is clear: flexible work is here to stay, and companies that get good at it will attract and retain top talent, while those stuck in 2019 risk an exodus of skills.

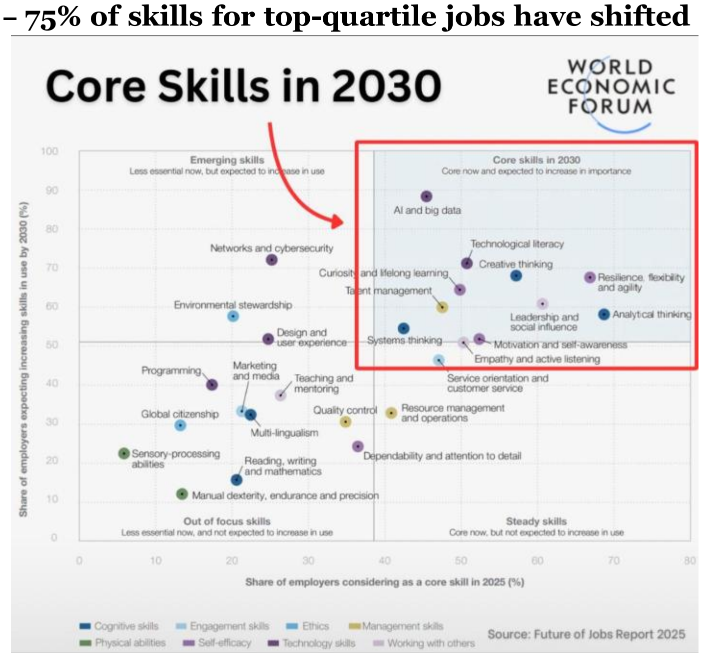
However, remote work brings its own challenges beyond productivity concerns. A 2023 Gallup survey found that remote workers' sense of connection to their company's mission has declined to just 28% (from 32% in 2022) - the lowest level since before the pandemic. By contrast, 35% of hybrid workers and 33% of in-office workers reported feeling connected to their organization's purpose. This suggests that while remote work offers flexibility benefits, organizations must develop targeted strategies to maintain cultural cohesion and mission alignment.

From Static Roles to Agile Skills: Rethinking Organizational Structure

Jobs are being deconstructed into skills. Traditional org charts built around static job roles are reaching their limits. In a fast-changing environment (like any fast-paced digital industry where new tools emerge every few months), the workforce challenge is that **skill needs are evolving faster than ever**. A recent analysis by Lightcast found that According to the World Economic Forum**,** two-fifths of **employee skill sets (39%) will require transformation by 2030,** highlighting the accelerating urgency for HR to transition from static roles to agile, skills-based organizational models.For the most in-demand roles, the change was even greater **– 75% of skills for top-quartile jobs have shifted in just three years**.

39% of existing skills are expected to become outdated by 2030, reinforcing the urgent shift towards skill-based rather than role-based workforce planning (Future of Jobs Report, 2025).

That was last year. Now, AI is making this gap wider much faster. As an example, prompt engineer was a role that appeared to be much in demand when ChatGPT 3.0 appeared in **late 2022 and early 2023**. Suddenly, the ability to craft effective prompts (inputs) to get desired outputs from these AIs became a valuable skill. Starting **late 2023 and accelerating through 2024 and into 2025**, the narrative around the standalone "Prompt Engineer" role began to shift significantly because **improved AI Models,**



integrated Tools with user-friendly interfaces and more importantly, "prompt engineering" started being seen less as a dedicated job title and more as a *skill* that needed to be integrated into *existing* roles. Marketers, writers, developers, researchers, etc. From relative obscurity to a globally hyped job role and then to a phase of significant transformation and skill integration within approximately **18-24 months**.

However, many companies are still organized around fixed roles and outdated job descriptions, creating a dangerous **skills gap** between what the business needs and what its people can do. Leaders increasingly recognize the problem – in one global survey, 59% of HR leaders said they worry their organizations lack the skills needed in the next few years. Yet traditional HR practices (hiring for a static role, then if employee's skills stay relevant) aren't closing the gap. The old playbook of hiring externally for every new skill is too slow and costly. And simply hoping employees will reskill themselves is wishful thinking, especially when **half of employees haven't completed any formal upskilling in the past five years** (US employers and workers say they face a major skills development disconnect | HR Dive). We have a classic strategic shortfall: skills are changing exponentially, but workforce development is linear at best.

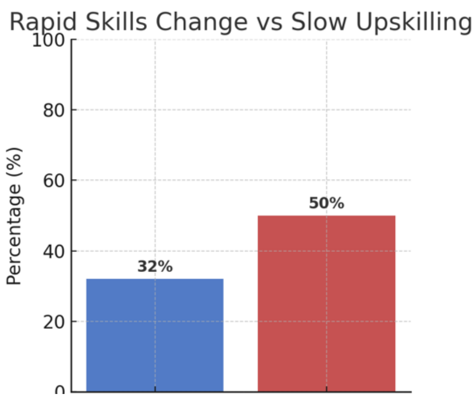


Figure: The pace of skills change far exceeds the pace of upskilling – 32% of job skills changed in 3 years, while about 50% of employees did ***no*** *formal training in 5 year. Source: Adapted from Lightcast, 'The Speed of Skill Change', Jan 2025*

A January 2025 Lightcast report titled 'The Speed of Skill Change' found that 32% of the skills required for the average job changed between 2021 and 2024. For the most in-demand roles, the change was even more dramatic—75% of skills for top-quartile jobs shifted in just three years. This accelerating pace of skill transformation means that traditional job-centric HR models simply cannot keep up.

Forward-thinking companies are shifting from a **job-centric** to a **skills-centric** model to stay agile. Instead of viewing the organization as a set of boxes (job titles) to be filled, they treat it as a talent marketplace of skills that can be recombined as needed. For example, rather than saying "Jane is a Contracts Manager in Hotel Partnerships," a skills-based approach notes Jane's expertise in negotiation, Spanish, and data analysis – and can match her to any project or task needing those skills. This is especially valuable in a global enterprise where new projects (API integrations, a market entry in Latin America, etc.) arise suddenly. You might quickly assemble a project team by pulling people with the right skills from various departments, rather than being limited by whose "job title" fits the task. Unilever, DHL, and other pioneers have created internal talent marketplaces that allow employees to take on short-term gigs outside their formal role, both to meet business needs and to help employees grow new skills. It's paying off: organizations embracing skills-based strategies expect improved productivity, innovation, and agility. In one study, **47% of companies shifting to skills-based models anticipate higher growth**, and a similar share expect greater agility. *Skills are the new currency of work.*

Workforce planning in this paradigm shifts to **building and buying skills, not just filling FTE positions**. HR's job becomes maintaining an inventory of employee skills, forecasting emerging skill needs (e.g. expertise in new AI tools or sustainability practices), and continually upskilling the workforce. This often requires retooling HR processes. Jobs need to be broken down into component tasks and skills; HR systems must accommodate employees having multiple skills profiles or holding several project roles at once. The performance review and promotion process should reward skill development and impact more than tenure in one role. Culturally, managers must get over "talent hoarding" (blocking their best people from moving to other teams) – instead, they should be evaluated on how well they develop and share talent across the org.

Of course, the transition isn't easy. Many HR leaders report internal resistance: **45% of companies cite lack of skills-tracking technology and 48% cite change management challenges** as hurdles in moving to a skills-based organization. Employees can be hesitant too, fearing that breaking their job into skills might "atomize" their career or that they'll lose status without a traditional title. To overcome this, leading organizations invest in communication and training to support the mindset shift. They highlight success stories of internal mobility and make participation in gig projects a positive, rewarded behaviour.

The business case for this shift is compelling. Research suggests companies with strong learning cultures and skills development programs have significantly better talent outcomes (higher retention, internal mobility, etc.) (). And at a macro level, economists estimate that widespread adoption of skills-based practices could boost economic growth via productivity and innovation. In sum, moving from static roles to agile skills isn't just an "HR experiment" – it's rapidly becoming a competitive necessity. HR directors who pioneer this shift will enable their firms to pivot as opportunities arise; those who don't may find themselves unable to execute strategy because "the people just aren't there" in the old org chart.

The Rise of the Gig Economy and New Work Models

Workforce fluidity is the new norm. Another trend reshaping the workplace is the normalization of gig and project-based work at all levels of the organization. We're not just talking about rideshare drivers or seasonal temps. Increasingly, even high-skilled professionals are choosing freelance or "portfolio" careers – and companies are tapping into this flexible talent pool. In the U.S., an **estimated 59 million Americans, about 36% of the workforce, engage in freelance or gig work** in some capacity. Globally, the gig economy accounts for up to 12% of the labour market and is projected to reach **60% of the U.S. workforce by 2026**. Put simply, more people are pursuing non-traditional work arrangements (multiple part-time gigs, contract consulting, etc.) rather than one full-time job which aligns with global trends of increasingly fluid talent pools and a significant rise in freelance and contract roles. This demands proactive HR strategies to leverage gig talent effectively.

Highly-skilled professionals, such as IT specialists and data analysts, increasingly prefer gig and project-based engagements, enabling companies to quickly assemble expert teams tailored for specific projects—be it market expansions, technology rollouts, or crisis management.

For employers, this opens new possibilities to access talent on demand. A tech-driven company can scale up expertise quickly by contracting a specialist for a project rather than hiring permanently. In fact, some large enterprises now find that **a significant chunk of their workforce isn't traditional employees at all**. One survey noted that at a major tech firm, **over 40% of the total workforce (by payroll) was composed of contractors or gig workers** – a testament to how mainstream this model has become. Operations can be ramped up or down more flexibly by blending full-time staff with on-demand experts. This is particularly valuable in project-driven environments or those with variable demand. A large enterprise might use contractors for a short-term push to onboard hundreds of new partners, or bring in freelance data analysts to solve a complex pricing problem.

However, integrating gig workers poses challenges. Traditional HR systems and policies often distinguish sharply between "employees" and "contractors," with contractors treated as outsiders. Yet today, gig workers may work side by side with employees on core teams, blurring those lines. Companies need clear policies on data access, IP ownership, and team integration for non-employees. Managing compliance gets tricky too: engaging talent across borders or on informal terms can run afoul of labor laws if mismanaged (e.g. contractor vs employee classification issues, tax and benefit implications in each jurisdiction). Leading companies are responding by establishing dedicated programs for their extended workforce – some partner with employer-of-record services to legally employ giggers, others build **internal freelance pools** (including alumni or retirees) vetted and ready to deploy.

Critically, the gig trend isn't just an external phenomenon. Forward-thinking HR teams are bringing the **gig mindset inside** the organization as well. One practical step is implementing an **internal talent marketplace** or "gig board" where employees can apply their skills to short-term projects outside their immediate role. For example, a software engineer who is fluent in Mandarin might dedicate a few hours a week to assist the APAC sales team on a China-market initiative – a win-win that wouldn't happen in a rigid org chart. Companies like Unilever and Mastercard have successfully used internal gig platforms (powered by AI matching) to mobilize talent internally, increasing agility and employee development simultaneously. If you don't offer these opportunities internally, your people may seek them externally by joining the gig economy on their own time or, worse, leaving for more flexible employers.

Embracing new work models can also help combat burnout and turnover. High performers sometimes want breaks or variety – e.g. a full-time employee might request a sabbatical or a part-time gig arrangement for a period to recharge. Progressive firms accommodate this rather than lose the talent outright. For instance, some companies allow "external sabbaticals" where an employee can consult externally for a year and then return, or they allow reduced hours for a period. These approaches treat careers as more flexible journeys rather than up-or-out ladders.

Despite clear signs that gig and flexible models are here to stay, many HR departments have been slow to react. In informal polling at HR conferences, when asked if they have a strategy for the gig workforce or alternative talent pools, only a small fraction of HR leaders raise their hands. This is backed by data: a 2022 Mercer study found **75% of companies expected to use more gig and contract talent**, but less than **30% had updated their policies or systems** to accommodate it. It's often seen as someone else's problem (e.g. "Procurement handles freelancers") or a low priority until a critical gap emerges. The risk of inaction is growing: your next business-critical hire might prefer to be an independent contractor, not an employee, or that the expert you need is only available via a talent platform. Without a plan, companies could face project delays or non-compliance issues, and watch top talent slip away to more flexible competitors. HR leaders need to proactively integrate gig thinking into workforce planning – extending employee value propositions to giggers, ensuring knowledge transfer (so critical know-how doesn't walk out the door when a contract ends), and training managers to effectively lead mixed teams of employees and contractors.

Generative AI Disruption: Augmenting and Replacing Roles at Scale

AI is changing the work, not just the workplace. Perhaps the most game-changing trend is the rise of Generative AI and its potential to reshape jobs across every function. Generative AI is set to impact up to 40% of work activities across industries, creating significant productivity opportunities alongside the risk of substantial job displacement (Future of Jobs Report, 2025).

Unlike prior waves of automation which mostly affected routine factory or clerical work, GenAI is coming for **white-collar, professional roles – including highly-skilled ones**. Models like GPT-4 can now draft documents, write code, create marketing content, analyse data, converse in natural language, and more. This isn't just automating repetitive tasks; it's **augmenting cognitive and creative tasks** that used to be the sole province of humans. Research by Brookings found that over **30% of workers could see at least half of their day-to-day tasks impacted by generative AI**. That is a stunning figure – it suggests widespread task disruption, from entry-level analysts to middle managers and even specialized experts.

What might this look like in practice? Take sales and customer service. Traditionally, a sales representative spends hours each week writing emails, crafting proposals, and answering client questions. Today, generative AI tools can handle a chunk of that workload: auto-generating personalized outreach emails, responding to common RFP questions, even creating first-draft sales presentations. Early adopters are already seeing efficiency gains. In one Salesforce survey, **84% of salespeople using generative AI said it helped increase sales by speeding up customer interactions**. On the customer service side, AI chatbots (powered by large language models) are handling tier-1 inquiries with greater accuracy and multilingual ability than earlier bots. **Publicis Sapient reduced manual workload by approximately 40%** through GenAI-enabled HR chatbots capable of resolving complex employee queries and even perform actions like filling time-cards or scheduling meetings via conversation. For customers, the result is faster 24/7 support; for companies, it may mean needing fewer frontline agents or retraining them to handle only the most complex cases. Notably, among service professionals currently using GenAI, **90% say it helps them serve customers faster**. These examples show how AI can handle a large volume of routine work, allowing human workers to focus on higher-value activities like building relationships or solving unique problems.

Now consider legal and compliance roles. GenAI's ability to generate and analyse text at scale makes it a natural fit for drafting contracts, reviewing documents, and conducting legal research. A prominent example is Allen & Overy, a major global law firm, which deployed an AI tool (built on OpenAI's GPT) to write first drafts of standard contracts. Over 1,000 of the firm's lawyers are using it, letting them produce documents like NDAs much more quickly. Lawyers then spend their time on review and negotiation, rather than grinding out initial drafts. This hints at a future where junior attorney roles (often heavy on document prep and due diligence) are significantly reduced – or repurposed into higher-value "AI-augmented" advisory positions. Similarly, corporate compliance teams might use AI to monitor regulatory changes or flag risks in contracts, tasks that would be impossibly labour-intensive to do entirely manually.

Software development is another arena being transformed. GitHub's Copilot (an AI pair-programmer) is writing significant portions of code for developers. Microsoft has reported that using AI coding assistants can **improve developer productivity by 30% or more**. One tech leader noted that a feature which used to require a team of five developers might now be delivered by just two developers with AI help – dramatically shrinking development timelines. For example, an engineering team at a digitally mature firm that leverages AI coding tools could out-innovate a competitor's larger team that doesn't, by building new platform features faster and with fewer bugs.. This is not hypothetical; it's already happening in software teams worldwide.

Of course, with large-scale AI adoption come challenges. GenAI can **"hallucinate"** incorrect information, so human oversight and verification are still essential. Ethical and legal issues abound – from biased AI decisions to questions of intellectual property for AI-generated content. Companies need governance frameworks for responsible AI use. Data privacy is another concern: feeding sensitive company data into external AI models can pose security risks, so strategies like private/internal LLMs are emerging. And there's the workforce impact: many roles will be **augmented** (humans + AI doing more than either could alone), but some tasks (and even entire roles) will be **automated away**. The World Economic Forum projects a net positive in jobs in the long run due to technology, but with significant churn – some roles will decline, new ones will emerge, and most will change their task composition.

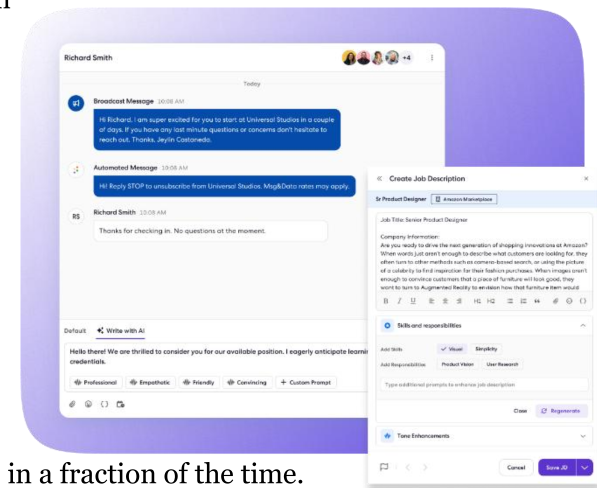
For HR directors, a pressing task will be managing this transition and **reskilling at scale**. An Accenture analysis estimates GenAI could affect **40% of all working hours** across industries. To harness that potential rather than be hurt by it, companies must urgently train their workforce to use AI tools effectively. Yet currently, **62% of workers say they lack the skills to use GenAI** and only **14% of frontline employees have had any AI-related training** so far. This gap in digital skills is a major risk – organizations that proactively upskill their people to work alongside AI will surge ahead, while those that don't will find their staff ill-equipped and their business lagging behind more tech-enabled competitors.

In summary, GenAI is not science fiction – it's here now, rapidly permeating from the call center to the C-suite. The message to employees shouldn't be "the robots are coming for your job," but rather "the robots are coming for the repetitive parts of your job – so let's elevate your role." Companies that manage this augmentation well stand to gain huge productivity boosts and innovative capacity. Those that ignore it risk both sudden automation-driven redundancies and being outcompeted in the market. Economists have warned that firms slow to adopt AI could see their business decline, leading to job losses **not because AI directly took those jobs, but because the company fell behind and lost market share**. In other words, the biggest risk is not AI itself, but failing to **adapt to the era of AI**.

GenAI in HR Today: From Automation to True Innovation

The impact of AI isn't limited to core business functions – it's also **transforming HR itself**. In the past, "HR tech" automation meant rudimentary tools: keyword resume screeners, basic chatbots for FAQ, or auto-scheduling systems. GenAI takes it much further, enabling creative and strategic HR work to be done in novel ways. Let's look at a few real examples across recruitment, learning & development, and employee engagement to illustrate what's already possible.

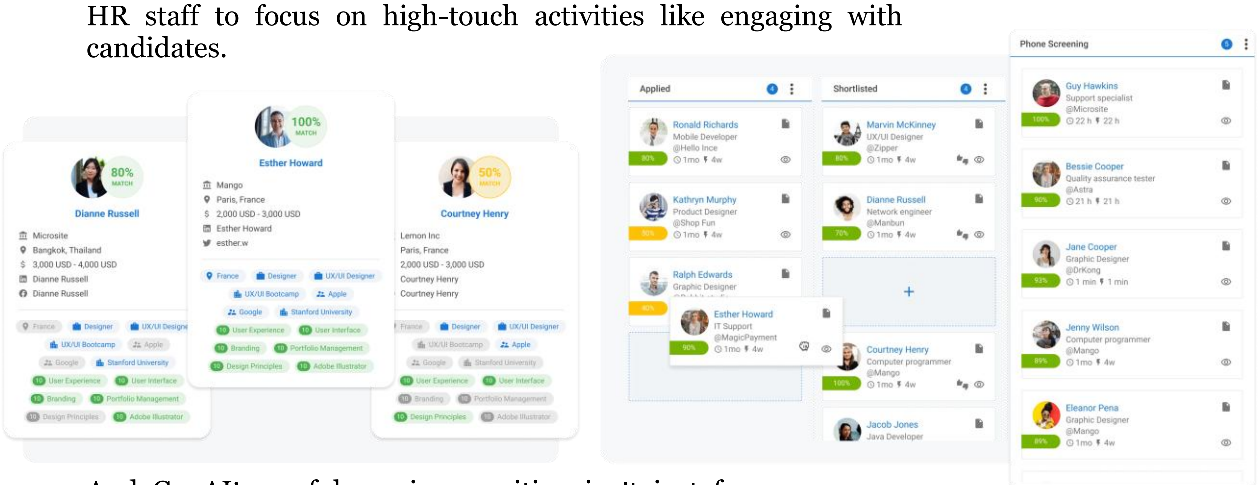
Recruitment and Hiring: Writing job descriptions or interview questionnaires is typically a tedious task, often involving copy-pasting from old templates. Now, GenAI can turbocharge this process.



- For instance, the HR team at The Partners Group (an insurance firm) used ChatGPT to generate a draft job description for a new Training & Development Manager role. By iterating on the AI's output, they got a solid draft in **20 minutes**, achieving "about 98% of what we needed," according to their HR director. Previously this might have taken 2–4 hours of a manager's time.

- Similarly, that team uses GenAI to propose interview question sets and even to draft personalized offer letters or employee communications (like work anniversary messages) in a fraction of the time.

- Another example comes from Quantum Health, where the Chief People Officer openly challenged her team to experiment with ChatGPT. She herself generated a senior-level job description in **30 seconds**, then spent 30 minutes editing it – a task that would normally consume a couple of hours. These kinds of **70–90% time savings** on content creation free up HR staff to focus on high-touch activities like engaging with candidates.



- And GenAI's usefulness in recruiting isn't just for writing – it's also screening candidates by parsing resumes and matching them to job requirements. Publicis Sapient's HR team leverages GenAI to pre-screen applicants against role prerequisites and even auto-draft comprehensive job descriptions based on role profiles. The result: recruiters spend more time interviewing top candidates and building relationships, and less time slogging through resume piles. One company reported that recruiters augmented with AI could handle **25–50% more requisitions per recruiter** than before.

Learning & Development (L&D) and Coaching: Generative AI is proving a game-changer in creating training content and providing on-demand coaching.

- A striking case is Genpact, a global professional services firm. Since adopting GenAI in 2023, Genpact's L&D team uses it to produce learning materials at scale – from quizzes to micro-learning modules – dramatically faster than before . In fact, about **10% of all new learning content on their internal platform is now AI-generated**, significantly speeding up course development. Genpact even built an internal GenAI-powered coaching chatbot, aptly named "AI Guru." Trained on the company's vast knowledge base (15,000+ past Q&A and learning assets), AI Guru is available 24/7 to answer employees' questions and provide coaching tips. Employees can ask, "How do I improve my time management skills?" and get tailored advice or resources instantly. First-time managers have used it to get guidance on giving

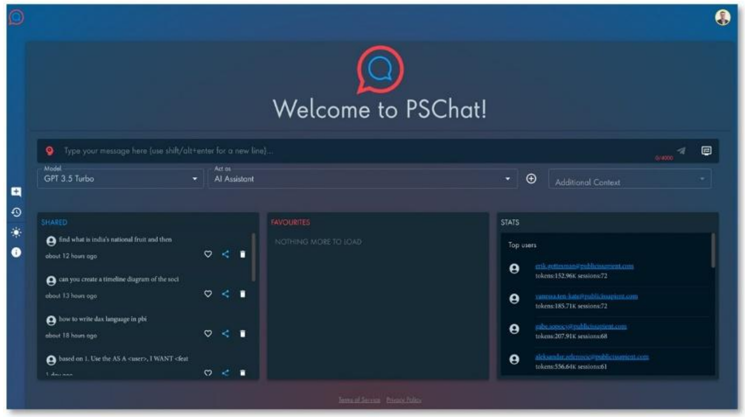
feedback or managing remote teams. This effectively **scales personalized coaching** in a way previously impossible – an HR department can't provide a human coach to every employee, but an AI assistant makes it feasible to give everyone a virtual coach. The impact has been tangible: Genpact reports this approach reduced the time burden on their human experts by **up to 50%**. They identified 600 internal "Master Guru" experts, fed their knowledge into the AI, and now the AI handles many routine inquiries, freeing those experts for more strategic work.

- Beyond content creation, GenAI is also being used to support performance management – for example, drafting individualized development plans or performance improvement plan documents. Instead of starting from scratch, a manager can input some context and get a well-structured first draft of a performance plan, then refine it. This not only saves time but can reduce bias (the AI isn't swayed by office politics or personal grudges) and improve consistency in how performance issues are addressed across the organization.

Employee Service and Engagement: HR functions deal with countless routine queries – "How do I update my benefits?" "What's the parental leave policy?" – that can eat up HR staff time. Leading organizations are deploying AI chatbots for tier-1 HR support, and GenAI has made these bots far more powerful.

- For example, Publicis Sapient's HR chatbot was enhanced with generative AI to provide more personalized, nuanced answers to employees' questions. It can handle complex policy queries that might stump a basic FAQ bot. The chatbot can even initiate certain transactions (like guiding someone through an expense report submission) via natural language dialogue.

- According to Gartner, the most common GenAI use-case in HR so far is indeed employee-facing chatbots – **43% of HR leaders are prioritizing chatbots** to improve response speed and consistency. The payoff is faster service and less frustration: employees get answers in seconds any time of day, and HR teams are freed from repetitively answering the same questions.

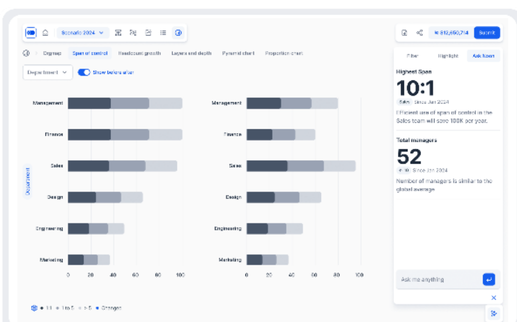


- Another emerging use is using GenAI to analyze employee feedback, engagement surveys, or even Slack/Teams conversations (with privacy safeguards) to gauge sentiment. Instead of HR manually reading thousands of comments, an AI can instantly summarize themes ("e.g. sales teams feel understaffed" or "remote employees feel less recognized") and even flag early warning signs of burnout or attrition risk. In one case, an AI analysis of open-ended survey responses helped an HR team pinpoint that remote employees felt less visible in recognition programs – a nuance that led to launching a new remote-friendly recognition initiative.

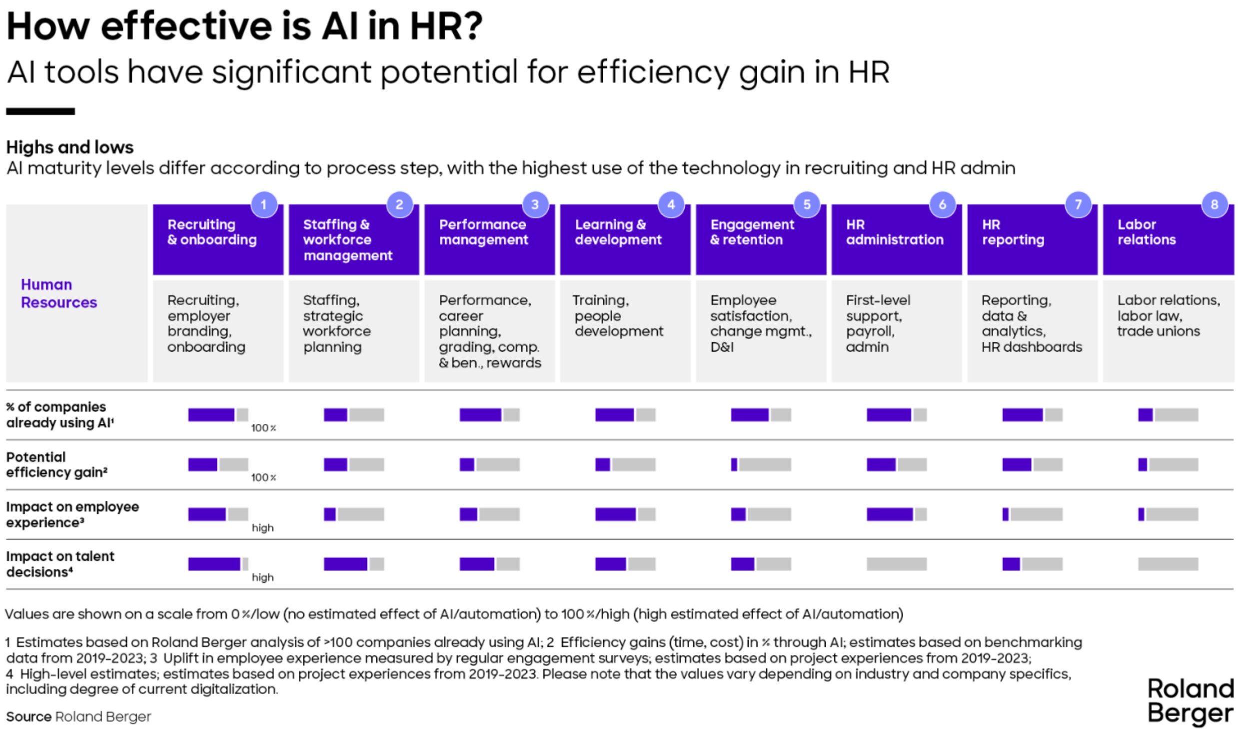
Upskilling the HR Team itself:

The HR pioneers in GenAI are not just deploying these tools for others – they're upskilling their own HR staff to **work alongside AI**.

- At Quantum Health, the Chief People Officer mandated that her HR team report each month on how they experimented with ChatGPT, creating a culture of continuous learning and sharing of AI "wins" and "fails". This hands-on approach quickly built AI literacy in the team.



- Publicis Sapient went even further: they provided formal GenAI training to most of their **entire workforce (including HR)**, covering topics like prompt engineering and AI ethics, because they see GenAI as central to their operations moving forward.
- By empowering HR professionals with AI know-how, these companies ensure HR isn't lagging other functions in innovation – in fact, HR can lead by example. The payoff is evident in efficiency metrics: one company reported their recruiters with AI tools were able to handle **25–50% more requisitions** per person, as mentioned earlier.
- Another saw a measurable jump in internal mobility after implementing an AI-driven talent marketplace that matches people to opportunities. These are hard ROI numbers that make the case for investing in HR's AI capabilities.



The key point from all these examples: **GenAI in HR is not just about automating drudge work; it's enabling HR to do things previously not feasible at scale.** Drafting individualized coaching plans for every employee, providing real-time career advice, tailoring communications to each person – these high-touch services were pipe dreams before, but can now be partially delivered by AI, giving employees a more personalized experience.

It's as if every employee could have a career mentor and every manager an executive coach in their pocket. Importantly, the organizations seeing success approach GenAI as a *copilot*, not a replacement for human judgment. The first drafts that ChatGPT generates still need HR's empathetic polish and context. The AI-generated training quiz still needs an SME's eye to ensure accuracy. But when HR practitioners **partner** with AI, the potential is enormous.

We can imagine near-future scenarios: AI-driven matching of people to project teams (considering far more variables and talent profiles than any human could), or AI simulations that predict the impact of a policy change on morale or turnover before it's implemented. We're heading toward an HR function that is **data-rich and proactive**, supported by AI analysis, yet also more human-centric because AI frees up time for genuine human connection (that stay interview, that difficult coaching conversation, etc., that busy HRBPs previously had to rush through). As one HR leader put it after adopting an AI assistant, *"I don't know how we did this job before – I'll never go back to not having my AI copilot."*

For the metrics-minded executive, the case for GenAI in HR can be made with numbers like these: 20–30 hours saved **per recruiter per month**, 50% faster creation of training content, double-digit improvements in employee survey analysis time. And beyond efficiency, quality improves – AI can help remove biased language from job postings (attracting more diverse candidates) or ensure consistency in policy communications worldwide. In short, HR is reinventing itself through GenAI. Functions that implement these tools are moving from administrative overload to strategic impact. They spend less time on rote paperwork and more time on decision-making and talent strategy. HR leaders who are early adopters of these technologies are elevating their role in the business; those who ignore the AI wave risk being stuck in transactional mode while their peers leap ahead.

Why Legacy HR Tech Vendors Are Falling Behind

Legacy HR vendors such as Workday, SAP, and Oracle are struggling, with **fewer than 30% of HR departments currently leveraging advanced AI technologies effectively** (Future of Jobs Report, 2025). These systems often lag behind the agile, skills-centric approaches required to stay competitive.

Yesterday's HR systems can't meet today's agility needs. Amid these transformative trends (hybrid work, skills-based orgs, gig talent, GenAI), many HR leaders are taking a hard look at their technology stack. The uncomfortable realization is that the old guard HR platforms – the big ERP-based systems like Workday, SAP SuccessFactors, Oracle HCM – are struggling to keep up with the new world of work. These systems were fantastic at what they were built for: serving as a single source of record for core HR data (payroll, benefits, org hierarchy, etc.) and standardizing processes. They have been the backbone of HR for 15+ years. But **they were designed in a different era**, with assumptions about work that no longer hold true. As a result, they are **showing their age** in several crucial areas, and clinging to these legacy platforms without augmentation is becoming a strategic risk.

1. Firstly, traditional HRIS platforms were architected around the **classic full-time employment model** – stable roles, well-defined jobs, one employee = one position in a hierarchy. The modern reality of dynamic, project-based work simply doesn't fit this mold.

   Consider the challenge of internal gigs or employees splitting time across roles. If a company wants to record that an employee is 50% in their marketing role and 50% on a special agile project team, most HR systems struggle. Often, HR ends up creating kludgy workarounds like dummy positions or multiple part-time records for one person. Legacy systems generally assume a single manager and a single job per employee at any given time. They don't elegantly handle an employee reporting to **multiple project leads** simultaneously, or belonging to ad-hoc teams that form and dissolve. In essence, these systems reflect organizational **structure** more than the actual **flow of work**. A large company might have an official org chart in Workday, but the real work happens in cross-functional squads and projects tracked elsewhere (spreadsheets, project management tools) because the HR system can't map it. The gig economy trend – both internal and external – has simply **outpaced their data models**.

2. Secondly, legacy suites were built around **jobs and roles, not skills**. Legacy HR tech's inability to dynamically adapt to rapid skill changes—expected to affect 39% of skill sets by 2030—significantly limits their strategic utility compared to AI-driven platforms

   To their credit, vendors have added some skills features (Workday has a "Skills Cloud," SAP has a skills ontology), but these are bolt-ons to a fundamentally role-centric architecture. The core data structures revolve around job profiles, requisitions, and positions, not dynamic skill inventories. This means if you want to do something like quickly find all employees with a certain skill (say Python programming or Mandarin language) regardless of their job title, legacy systems aren't great at it unless you've meticulously maintained skill tags on profiles.

   Many companies trying to be skills-driven find they must export data to specialized talent platforms or spreadsheets because their main HR system can't flexibly slice and dice by skills. And while vendors are now touting AI-powered skill inference (Workday, for example, acquired an AI firm and says it can infer skills from resumes and suggest learning courses), users often find these recommendations rudimentary. Why? One reason is that no single company's HRIS has enough data to build a truly rich skills graph – platforms like LinkedIn (with millions of profiles) simply have a much deeper bench of data to draw AI insights from. So legacy HR techs are now partnering with or integrating external data sources (like LinkedIn Talent Hub) to compensate. For an HR Director trying to implement a skills-based workforce strategy, the out-of-the-box capabilities of a traditional HRMS can feel **inadequate – hence the rise of third-party talent intelligence tools** to fill the gaps.

3. Third, the **pace of innovation** is different. The big HCM vendors built very broad, integrated suites covering everything from recruiting to retirement. This one-stop-shop strength is also a weakness: their development and release cycles tend to be slower and more deliberate, because any change affects thousands of customers and must maintain backward compatibility. Meanwhile, the HR tech market has exploded with niche solutions targeting each emerging need: tools for managing hybrid work and office space booking, AI coaching apps, gig marketplaces, advanced analytics dashboards, and so on.

   The legacy vendors have tried to keep up via acquisitions and partnerships – for example, SAP acquired Fieldglass for contractor management, Oracle has tie-ins with best-of-breed recruiting tools, Workday has an extensive partner marketplace. But integration is not the same as native capability. Today, many HR departments find themselves juggling a dozen or more different tools: one for engagement surveys, one for learning experience, one for internal gigs, etc. One survey found large companies use over **80 different HR technology systems** across various purposes. This sprawl is partly because no single legacy platform has delivered all the new functionalities HR needs. It's telling that despite paying millions for an "all-in-one" HR suite, companies are still buying point solutions to cover functionality gaps.

Let's map these trends to specific **capability gaps** in legacy HR tech:

Table: Legacy HR Platforms vs. New HR Tech – Capability Comparison.

CAPABILITY	**LEGACY HR PLATFORMS** (WORKDAY, SAP, ORACLE)	**NEW HR TECH PLATFORMS** (AI-DRIVEN, SKILLS/GIG-FOCUSED)
FLEXIBLE ORG STRUCTURES	Rigid one-to-one mapping of person to position; limited support for project teams or multiple roles.	Designed for matrix teams and gigs; one person can have multiple assignments, dynamic team tracking built in.
SKILLS-BASED TALENT MANAGEMENT	Skills treated as supplementary data; manual updates needed, basic skill search. AI skill inference minimal and constrained by limited dataset.	Skills are core to the system, rich skill taxonomies. AI algorithms infer and match skills from big data (resumes, projects), powering recommendations for learning, career moves, and talent searches.
AI INTEGRATION & INTELLIGENCE	AI features bolted on (e.g. a chatbot or basic analytics). Core architecture wasn't built around AI, so capabilities like natural language queries or predictive analytics are limited.	AI-native design: conversational interfaces for employees (ask a career question, get an answer), predictive models embedded throughout (e.g. flight risk predictions, skill gap analysis). Updates quickly incorporate latest AI advances.
INTERNAL TALENT MARKETPLACE	Not a standard feature; talent mobility handled as traditional job postings. Internal gigs require custom workarounds or separate modules.	Often a core feature. Platforms like Gloat, Eightfold, Fuel50 specialize in internal marketplaces matching people to projects and roles, driving agile talent deployment.
OPENNESS & ECOSYSTEM	Large partner ecosystems, but integration needed for each new tool, data often in silos. Vendor controls roadmap.	Open APIs and integration from ground up. Lighter, modular systems can plug-and-play with other tools or offer all-in-one suites that already encompass modern functions (engagement, gig, LMS, etc.).

A good example of the new breed is the talent intelligence platforms (Eightfold, Beamery, Gloat, Phenom). These were built in the last 5-10 years with AI/ML at the core. As industry analyst Josh Bersin notes, such platforms can deliver capabilities like skill-based talent matching and AI-driven career recommendations **far beyond what legacy HR systems can do today**. While legacy vendors like Workday are retrofitting AI features (such as "Career Hub"), their core architectures remain role-centric; hence it's a bit like bolting a rocket engine onto an old car – it's hard to achieve the same effect as a vehicle designed for speed from scratch. Bersin bluntly says that while the big vendors are adding AI "extensions" to their products, their core architectures are aging and not optimized for things like real-time skills inference or personalized employee experiences.

Another area to highlight is **employee experience and analytics**. Legacy HRIS excel at transactional record-keeping (payroll runs on time, org charts are stored), but they were not built to provide a consumer-grade user experience or deep analytics on work patterns. For example, consider hybrid work: Microsoft's Viva or Workplace Analytics can analyse collaboration data (emails, meetings) to flag burnout or measure engagement – something no HRIS can do natively because they don't touch those data streams. Similarly, measuring productivity or connection in a hybrid workforce requires pulling data from communication tools, project software, etc., which falls outside the domain of traditional HR systems. So, HR leaders end up augmenting with separate "experience" platforms. The net effect: the legacy HR tech isn't the one-stop solution it once was, and in some cases, it's a bottleneck because it can't adapt easily to new paradigms like gig work or AI-first design.

Emerging HR platforms built with AI at their core are demonstrating the possibilities beyond legacy systems. For instance, Darwinbox, which recently secured significant growth investment, manages over 3 million employees across more than 1,000 enterprises globally. Their platform incorporates AI functionality including predicting employee turnover across regions and job roles and using facial recognition for time management. Such capabilities illustrate the widening gap between traditional HR systems and newer platforms designed specifically for today's workforce challenges.

None of this is to say that Workday, SAP, Oracle are going away; they remain critical for system-of-record stability. But HR directors should recognize that **relying solely on legacy HR tech is a strategic liability** now. Those vendors are racing to modernize, but customers may not be able to wait. It's increasingly common to see a core HRIS supplemented by an overlay of modern tools that handle skills, gigs, AI analytics, etc. For instance, a company might keep Workday for core HR and payroll, but implement Gloat for internal gigs, Degreed for learning, and an AI chatbot for HR service. This can yield great functionality, but also means HR needs skills in vendor management and integration – and a vision for a unified employee experience across tools.

The integration of multiple HR technologies introduces significant challenges beyond just technical compatibility. Organizations face high implementation costs, data privacy and compliance concerns across different regulatory environments, internal resistance to change, and vendor compatibility issues that can derail even well-planned integration efforts. These challenges explain why; despite investing in modern point solutions, many HR departments struggle to create a truly cohesive technology ecosystem

In summary, the **old HR tech guard is falling behind** because the assumptions baked into their design (one job per person, infrequent changes, HR as process administrator) clash with the reality of fluid roles, constant skill evolution, and AI-augmented work. HR leaders should push legacy vendors hard on their roadmaps and be unafraid to pilot new solutions, even if it means running parallel systems. As the next section explores, staying with the familiar vendor and "hoping" they'll catch up could be a costly mistake if it means your organization can't implement crucial new practices fast enough.

Are HR directors Keeping Up? (The Risks of Falling Behind)

With so many disruptive changes afoot, one might wonder: **How prepared are HR leaders to tackle these issues?**

Currently, only 26% of HR departments utilize AI strategically, indicating a significant gap between potential and actual usage (SHRM and the Burning Glass Institute)

Unfortunately, while awareness is high, action is often lagging – and that presents significant risks for organizations. This is where we need some tough love: HR directors cannot afford to be complacent or reactive in the face of these trends. The data shows a mixed picture of progress.

On the positive side, HR executives are increasingly cognizant of the challenges and say they intend to act. In a late 2023 Conference Board survey, **61% of CHROs said they plan to invest in AI to streamline HR processes in 2024**. That indicates growing recognition at the top that AI is critical for HR's future. We also see HR leaders as a group are highly attuned to skill issues – in Workday's global skills survey, HR leaders were the most concerned of any C-suite function about skill shortages in the coming years. So, awareness isn't the problem. The **real issue is the gap between knowing and doing**.

For example, A recent joint study by SHRM and the Burning Glass Institute found that while HR leaders say they plan to deploy AI, only **26% of HR professionals currently work in departments using any form of AI**, and only an additional **18% are planning to implement AI soon**. This means that as of late 2023, **well over half of HR organizations have no AI initiatives at all**. Most are still at best in exploratory or pilot stages. Similarly, while skill gaps are on everyone's mind, actions like building skill inventories or launching major upskilling programs are not yet universal. Many companies still rely on old training approaches that can't keep pace. It's telling that **only 47% of employees feel their employer invests in the skills they need to advance** (Prove the ROI of L&D With These 58 Stats | Bridge LMS) – implying over half of employees see inadequate commitment to development. There is a real risk that HR is **underestimating the urgency** or struggling to get the mandate to execute changes at the necessary speed.

HR leaders face growing pressures: **63% identify skill gaps as the top barrier** to business transformation, **yet many remain unprepared** to implement effective reskilling initiatives.

Why aren't some HR departments moving faster despite understanding the trends? Common barriers cited include lack of budget, lack of C-suite consensus, and sheer overload – HR teams are navigating pandemic aftermath, talent wars, and more, making it hard to also become experts in AI, hybrid work tech, skill taxonomies, etc. There is also an **experience and mindset gap**: many HR leaders built their careers in a pre-GenAI, pre-pandemic world. Suddenly they're being asked to reinvent HR with technologies and models they never encountered until recently. That's daunting. Some are understandably in wait-and-see mode, letting early adopters work out the kinks. But the danger of waiting too long is growing. Every quarter of inaction is a quarter where competitors might leap ahead or where talent might walk out the door because the organization feels behind the times.

The risks of HR clinging to legacy thinking or slow walking these changes are **strategic and severe**:

- **Losing the Talent War:** Employees today – especially top performers in tech and younger Gen Z workers – expect flexible work, rapid growth opportunities, and modern tools. If your HR policies are stuck in 2015, you will lose these people to companies offering what they want. For instance, an insistence on 5 days in-office or a bureaucratic internal mobility process will send talent running for more progressive employers. As mentioned earlier, many employees would take pay cuts for flexibility, and a meaningful percentage say they'd quit if forced back to fully on-site. Slow HR adaptation thus directly translates to higher attrition and an inability to attract new talent.
- **Lower Productivity & Innovation:** Companies that embrace AI and new work models are already **outperforming** those that don't. An organization where teams have AI copilots, where skills are deployed optimally, and where people can collaborate across boundaries will simply execute faster on its strategy. Competitors stuck with siloed talent and manual processes will

miss market opportunities. As one example, imagine Company A's sales team using an AI-driven CRM assistant that automates follow-ups and analyses customer data vs. Company B's sales team doing everything manually. In a year, A's team sells significantly more with the same headcount. Multiply similar gaps across R&D, customer service, etc., and Company B falls behind, potentially leading to financial losses and even layoffs not because the workers failed, but because leadership failed to empower them with modern tools.

- **Burnout and Disengagement:** HR's hesitance to adopt change can also hurt the existing workforce's morale. For example, if you don't address workload through AI or flexible staffing, you end up with employees doing 120% jobs and burning out. If you don't provide career development via new challenges or training, employees grow disengaged or leave. The Fortune 2024 CEO survey put talent/skill shortages and pace of tech change among the top 3 concerns for CEOs – CEOs are looking to HR for solutions. If HR isn't proactively tackling those (e.g. initiating upskilling, experimenting with automation), it's a dereliction of duty that will be felt in the organization's performance.
- **Compliance and Reputation Risks:** The external world is changing too – from pay transparency laws to AI ethics guidelines. A lagging HR function might inadvertently put the company at risk by not keeping policies up to date. Say HR ignores AI – but other departments deploy it in hiring or performance management without guidance; you could face bias or discrimination issues. Or ignoring remote work realities could lead to "productivity theatre" and privacy-invasive monitoring that eventually leaks and damages the employer brand. In short, not evolving HR practices can mean stumbling into legal or PR hot water because the world moved, and you didn't.

Expert commentators have been vocal about these risks. Josh Bersin warns that companies not embracing a skills-based approach will end up "fighting the last war" – they'll be unable to find or deploy talent effectively, as jobs change faster than their HR models. Leading CEOs like Satya Nadella emphasize that failing to trust and empower employees (clinging to old in-office paradigms) will damage morale and performance. And as noted, economists predict a widening gulf between organizations that integrate AI and those that don't – with the laggards potentially facing obsolescence.

So, what should HR directors do to avoid being the bottleneck? A few key steps:

1. Step up as proactive strategists: HR must take the initiative to educate and align the leadership team about these trends using data. Bring the evidence – show the execs and board the metrics that matter (e.g., how hybrid work has maintained or boosted productivity ([Hybrid working and the trust challenge - Raconteur]()), or how a talent shortage will hit the bottom line by stalling projects). Making the case with hard facts can turn scepticism into buy-in. HR's credibility comes from connecting people metrics to business outcomes.

2. Launch pilots and experiments – now. Don't wait for perfect information or a multi-year roadmap to be fully defined. The environment is changing too fast. Instead, run **small pilots** to test new concepts: pilot an internal gig marketplace with one department; try a GenAI tool to automate one HR process (like screening resumes or generating policy documents); run a 6-week experiment with a 4-day workweek in a team; implement a new skills taxonomy in just the IT function. By experimenting, you get real data and build organizational learning. It also signals to employees that HR is driving innovation, not dragging feet. Many HR leaders say these pilots not only provided valuable insights but also energized their teams.

3. Invest in HR's own capability. It's hard to lead a transformation if HR itself hasn't evolved. Upskill the HR team in areas like data analytics, digital literacy, and agile methodologies. Encourage HR staff to take AI for HR courses, get certifications in people analytics, or do rotations with tech teams. If budget allows, bring in external experts or advisors (perhaps from those resources or think tanks) to challenge your thinking and broaden perspectives. HR can't advise the business on things like AI ethics or gig workforce if HR professionals haven't been exposed to them. Encouragingly, more Chief People Officers are now talking about "HR upskilling" – making sure their teams learn skills like prompt engineering or workforce planning with new tools. HR can't be stuck in the last decade while advising a company of the future.

4. Cultivate a culture of agility and learning. HR should role-model the adaptability it seeks in the organization. That means embracing continuous improvement internally – retrospectives after a failed project, quick pivots when something isn't working, cross-functional teamwork. It also means fostering networks to learn from others. The HR community is incredibly collaborative; tap into it. By sharing successes and failures with peers (at conferences, local HR groups, online forums), even those behind the curve can catch up quickly. There's no shame in borrowing ideas that worked elsewhere – in fact, it's smart. As one CHRO put it in a recent roundtable: *"Two years ago we were scrambling to react; now we have a chance to be proactive architects of the new world of work. Let's not waste that chance."*

The cost of inaction for HR is stark: your company could **lose its talent, lose its productivity edge, and ultimately lose relevance**. Employees who don't get flexibility or growth will vote with their feet – often straight to your competitors. If your processes remain manual while others automate, your organization will be slower, less data-driven, and more error-prone. And as noted, companies that fall behind technologically may face the worst fate: declining performance leading to layoffs and a vicious cycle of decline. HR has a mandate to prevent that scenario by driving the human-centric changes needed to keep pace with technological change.

3 Top Resources to Stay Ahead on GenAI and the Future of Work

Keeping up with the **breakneck developments** in AI, workforce trends, and HR tech is daunting. No single article (or CHRO!) can single-handedly monitor everything. Below are three of the most credible and forward-thinking sources that HR leaders can rely on for ongoing insights. These sources – spanning global research, industry analysis, and consulting expertise – provide data, case studies, and expert analysis to help make sense of emerging trends and inform strategy.

- **World Economic Forum – Future of Jobs Reports & Agenda.** The World Economic Forum produces the authoritative **Future of Jobs Report** (published biennially) which surveys hundreds of global companies on technology adoption and workforce impact. For example, the *Future of Jobs Report 2023* offers deep insights into which jobs will be displaced or surge due to AI, and what skills will be in demand by 2027. WEF's publications distill macro-level trends and are particularly useful for a strategic, global outlook. They also host an online "Strategic Intelligence" hub with articles and briefs on topics like remote work, AI ethics, and reskilling. **Why it's great:** WEF convenes diverse experts (industry, academia, policy), so its content is balanced and holistic. It's a one-stop source for high-level trend data – perfect for HR directors shaping a vision that looks beyond just the next quarter.
- **The Josh Bersin Company – HR Tech and Future of Work Insights.** Josh Bersin is a renowned HR industry analyst whose research firm focuses on HR technology and workforce trends. Bersin's regular reports and blog articles frankly assess what's hype vs. reality. Recent pieces include *"HR Technology Market Disrupted," "The Rise of the Superworker: Predictions for 2025,"* and deep dives into how AI will reshape HR. He often shares case studies from Fortune 500 companies and pragmatic guidance for HR leaders. For instance, Bersin's analysis on skills-based organizations or his breakdown of AI use cases in HR (several examples in this article were originally highlighted by Bersin's research) provide actionable clarity. **Why it's great:** Bersin has a knack for explaining complex tech in plain business language. He's both visionary and pragmatic, often highlighting gaps of legacy systems while profiling new innovators. Many HR leaders follow his newsletter or attend his talks to stay current on cutting-edge practices (like internal talent marketplaces or AI in recruiting). If you need to make the case for change to your CEO, Bersin's reports (often loaded with stats and benchmarks) are invaluable. *(Link: JoshBersin.com – Blog and Resources)*
- **McKinsey Global Institute and McKinsey & Company Research.** McKinsey's research arm (MGI) and the firm's frequent publications offer **data-driven perspectives** on the future of work and AI. They've published seminal studies on automation's impact on jobs, the economic potential of generative AI (mid-2023), and the post-pandemic future of work. Their reports include concrete numbers (e.g. how many hours of work GenAI could automate, or which job categories are most exposed) and practical recommendations for business leaders. For example, McKinsey's mid-2023 analysis estimated that **half of today's work activities could be automated by 2045**, a decade sooner than previously thought, due to AI

advancements. They also discuss workforce strategies like reskilling at scale and transitioning workers as roles change. Beyond big reports, McKinsey's articles and podcasts often feature interviews with executives implementing new work models or AI solutions, which can be directly relevant to HR's planning. **Why it's great:** McKinsey brings a rigorous, C-suite lens. Their insights help build the business case for HR initiatives: for instance, quantifying the productivity gains from AI or the cost of not addressing skill gaps. HR directors can use McKinsey data and frameworks in their strategy documents or board presentations to add credibility. *(Link: McKinsey – Future of Work Insights Hub)*

Honorable mentions: *MIT Sloan Management Review* (for cutting-edge research blending academia and practice, often on AI and organizational change), *Gartner's Future of Work* research (great for predictions and HR surveys, though some content is behind paywalls), and *Harvard Business Review* (frequently publishes on these topics, e.g. a 2024 piece on AI outperforming CEOs in certain decision-making tasks). However, the three sources above are highly regarded and offer a mix of quantitative data and qualitative foresight, which is invaluable for staying ahead of the curve.

By regularly reading and engaging with such resources – perhaps setting aside an hour a week for "future-scanning" – HR leaders can continuously recalibrate their strategies with the latest knowledge. In a field evolving as fast as ours, **learning agility is king**. These sources will help ensure you're asking the right questions and can see around the corner at what's coming next.

Conclusion: Stepping Up as Strategic Leaders

The future of work trends we've explored – remote/hybrid work, skills-based agility, gig models, and GenAI – are not isolated phenomena. They are intertwined aspects of a **profound transformation** in how work gets done and how organizations stay competitive. For HR Directors, particularly in fast-moving, globally distributed industries, this is a clarion call to elevate your role. No longer can HR be seen (or see itself) as merely policy administrators or a support function on the sidelines. This is the time for HR to act as **strategic navigators**, guiding companies through uncertainty to opportunity.

What does stepping up entail? It means being **bold and experimental** – trying new workforce strategies, piloting new technologies, and using data to iterate quickly. It means influencing the C-suite with evidence and insight – showing, for example, that employee experience and business outcomes are two sides of the same coin (because they are). It means fostering a culture where humans and technology collaborate, not compete – preparing your people to be "**superworkers**" empowered by AI, as thought leader Josh Bersin calls it. It also means looking in the mirror and transforming HR's own operations: shedding bureaucratic processes, adopting AI and analytics for your own team's workflow, and upskilling the HR staff to speak the language of the business (think ROI, predictive modelling, agile sprints, etc.).

The companies that thrive in the next decade will likely have one thing in common: **an HR function that anticipates change and drives adaptability**. Whether it's designing hybrid work policies that attract top talent, implementing continuous learning programs that make your workforce future-ready, or deploying AI ethically to boost productivity, HR is at the centre of it. We often hear "people are our greatest asset" – now is HR's moment to prove it by architecting a work environment where people can truly do their best work amid all this change.

HR's strategic imperative is clear: adopting agile, AI-enhanced workforce models is no longer optional but essential. Organizations proactively embracing these changes report higher productivity, greater innovation, and increased competitiveness. Those delaying face a clear risk—strategic irrelevance and chronic talent shortages.

For HR directors who seize this moment, the rewards are immense. You'll help create a workforce that can pivot as strategy shifts, giving your company a huge competitive edge. You'll see higher engagement and lower turnover because employees will feel supported in growth and balanced in life. You'll earn that coveted seat as a true partner to the CEO and CFO, because you'll be solving some of the organization's thorniest strategic problems – talent, innovation, culture – not just running HR transactions. And perhaps most gratifying, you'll shape a workplace that is not just more productive, but also **more humane** – one that recognizes employees' desire for flexibility, growth, and purpose, and delivers on it.

The **future of work is already here**; it's just not evenly distributed. Some organizations are charging ahead, others are tentative. By deepening our understanding (through the kinds of resources listed above), learning from peers, and taking calculated actions, we in HR can ensure our organizations are not just reacting to the future, but actively creating it. This is a once-in-a-generation opportunity for HR to reinvent itself and, in doing so, future-proof our companies and careers. As HR leaders, let's lean into this exciting challenge – our companies' success and the livelihoods of our people depend on it. It's time to be bold, be proactive, and embrace the new world of work with open arms.