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EXECUTIVE BRIEFING · HR & AI

The Five Questions Defining Workforce Transformation in the Age of AI

For more than 14 years, Veran has been a trusted transformation partner, helping organisations navigate complex change. Through recent discussions with more than 250 leaders across 100+ organisations, one thing stood out: while excitement around AI is growing, so too is uncertainty, with the same critical questions being asked again and again.

Whether you're defining your AI strategy or accelerating adoption, this report cuts through the hype, providing practical answers, proven insights and clear actions to give you the confidence to move forward and turn AI ambition into real business value.

250+
HR LEADERS CONSULTED

100+
ORGANISATIONS REPRESENTED

5
ESSENTIAL QUESTIONS

2025
BUSINESS TRANSFORMATION ADVISORY PARTNER OF THE YEAR

INTRODUCTION

What HR Leaders Are Really Asking About AI ...And It's Not What You Might Think

> **Most organisations are experimenting with AI, but few are creating measurable value from it. The difference lies in how they approach governance, people, technology, work design and skills.**

Over the past year, Veran has spoken with more than 250 HR leaders across 100+ organisations, answering close to 150 questions on AI implementation and adoption. The questions featured in this report have been taken directly from those conversations and grouped into themes. Our experts provide practical answers and highlight the five essential questions every HR leader should be asking when planning for AI-enabled workforce transformation.

FIVE THEMES, ANSWERED INSIDE

GOVERNANCE

01 **Trust First: Building the Foundations for AI** — ensuring data and governance models create the foundation for safe, secure and trusted AI adoption

PEOPLE

02 **People, Change & Culture** — bringing people with you on the AI journey

TECHNOLOGY

03 **Purpose before Platform** — start with the problem you're solving, not the tool you want to buy

VALUE

04 **The Human-AI Balance** — understanding where automation adds value and where people remain essential

SKILLS

05 **There is No Future of Work Without People** — redesigning work around the skills, roles and ways of working needed for the future

▶ **OUR BIGGEST OBSERVATION**

The organisations creating the greatest value from AI are not treating it as a technology programme. They are redesigning how work gets done, with technology/AI acting as an enabler rather than the driver of change.

HEARD IN OUR CONVERSATIONS

Real questions, from real leaders — answered inside

250+ HR leaders. 100+ organisations. Real questions from our conversations — each mapped to a theme on the right.

"What are the key security risks when sharing data on AI platforms?"

HR Director → THEME 01

"How can you trust that AI-generated answers are correct?"

CRO → THEME 01

"We're keen to explore AI learning — where should we start?"

L&D Lead → THEME 02

"How do you build a business case for AI that actually lands?"

CFO → THEME 03

"How do we streamline work while retaining the human touch?"

Head of People → THEME 04

"How do you help people adopt AI without fearing for their jobs?"

CPO → THEME 05

FIVE THEMES, ANSWERED INSIDE

01 GOVERNANCE

Trust First: Building the Foundations for AI

02 PEOPLE

People, Change & Culture

03 TECHNOLOGY

Purpose before Platform

04 VALUE

The Human-AI Balance

05 SKILLS

There is No Future of Work Without People



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01

THEME ONE

Trust First: Building the Foundations for AI

This is the part you cannot skip. HR leaders have told us that this is their number one concern. They have questions about security, accuracy, and what it takes to build an AI environment they can trust.

GOVERNANCE

1 Trust First: Building the Foundations for AI

Q1 What are the key security risks when sharing data on AI platforms?

The three core risks are data leakage, unauthorised access, and inadvertently allowing personal or sensitive data to train third-party AI models. Many free AI tools use inputs to improve their underlying models, meaning that confidential data entered could become part of a shared training dataset.

Enterprise-licensed AI tools typically keep data internal and let you disable model training on your inputs. This should be the first configuration check for any AI deployment, followed by a clear governance policy specifying what can and can't be entered and from what data source.

Q2 How can we trust that AI generated answers are correct?

Trust is built through discipline and reinforced through process and behaviours. AI outputs are only as reliable as the content on which they are built, so it starts with understanding your data. We appreciate this isn't always as simple as it sounds so regular audit processes are essential, especially when people data is involved including sampling outputs, checking accuracy, and correcting errors in base data on an ongoing basis.

A named person should always be accountable for AI output accuracy, someone who owns the content and is responsible when something goes wrong. As the use of AI evolves, the audit process will evolve with it.

Q3 How do you ensure AI content only reaches the right people?

Content ownership, access permissions and intended audiences must be defined before any AI tool is procured. Role-based access controls determine who sees what. As people change roles or leave, those permissions must be actively maintained.

QUESTIONS TO ASK BEFORE YOU DEPLOY

- Is this an enterprise-licensed or publicly available tool?
- Does it use your data to train external AI models?
- Who owns the content going in?
- Who is accountable for what comes out?
- How are data audits being scheduled?

WHAT GOOD GOVERNANCE LOOKS LIKE

- Named owner for every content domain
- Quarterly bias and accuracy audits built in
- Access reviewed on every role change
- Clear policy on enterprise vs free tools
- Escalation path when outputs are wrong

▶ KEY INSIGHT

Governance and discipline are not built after AI breaks. It is the condition under which AI can be trusted to work. Every organisation that has built lasting trust in its AI, invested in governance first.

▶ ACTION

For every use of AI across the organisation, complete a one-page governance brief outlining who owns the tool, the content, and the outcomes. Assign a named individual, not a department as an accountable owner and schedule the first audit before go-live.

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THEME TWO

People, Change & Culture

Technology deployments rarely fail because of technology. They fail because people are not brought on the journey, it is therefore essential that the people side of change is managed with as much rigour as the technology deployment.

PEOPLE

2 People, Change & Culture

Q1 How do you help people embrace AI without fearing for their jobs?

Be honest and be early. The moment AI is on the leadership agenda, communication should follow. In the absence of information, rumour fills the space and anxiety takes hold. The message must be consistent and honest, AI will free people for work that is more strategic, more meaningful and adds more value.

The key part is to ensure employees feel involved, not that this is being done to them. Ask them where they think AI could help. When people feel they are playing a part in the journey, they move from resistance to advocacy and often surface use cases leadership would have missed.

Q2 How should we approach AI training and build capability across a diverse workforce?

Skills disruption is significant - The World Economic Forum reports that 39% of workers' core skills are expected to change by 2030, making continuous learning a business priority rather than a one-off training exercise.

Create multiple learning pathways to meet the needs of a diverse workforce, avoid large upfront training programmes as AI evolves too fast to ensure content remains relevant. Modular, iterative learning mirrors the iterative approach to AI scaling. Offer multiple on-demand formats, including written guides, short videos and peer sessions to suit different types of learning preferences. Most importantly, ensure roles are designed with time and capacity for learning, experimentation, and adaptation.

Q3 We have invested in the tools but how do we encourage adoption?

Build AI literacy before scaling AI adoption. Give employees opportunities to use approved AI tools within established governance frameworks, helping them build confidence and practical skills. Running team sharing sessions and "promptathons" is a great way to encourage AI adoption through safe, hands-on learning. These activities help employees build confidence, share practical use cases, learn from peers, and discover new ways AI can improve their work. Creating space for experimentation within approved governance frameworks accelerates AI literacy, creates stronger adoption, reduces hidden manual workarounds, and delivers greater organisational value.

▶ KEY INSIGHT

Organisations that invest as heavily in workforce adoption as they do in technology are far more likely to realise sustainable value from AI. This is not just an implementation activity; success depends on helping people understand and incorporate the change into their daily work.

▶ ACTION

Treat AI adoption as an ongoing change programme, not a one-off implementation. Develop a learning, communication, and reinforcement plan that builds capability over time through manager-led conversations, peer learning, success stories, and regular opportunities to share effective use cases. The objective is to embed AI into everyday ways of working, ensuring adoption becomes a business-as-usual discipline rather than a technology rollout. The aim is for any AI implementation to feel like something you are doing with your people, not to them.

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THEME THREE

Purpose before Platform

The most consistent finding across 250+ conversations and one that resonates with our 14 years of implementing technology in HR: organisations that focus on business outcomes outperform those who focus purely on technology.

TECHNOLOGY

3 Purpose before Platform

Q1 How do you build a business case for AI that actually lands?

Start with the problem and / or outcome in mind, not the technology. Quantify what you are trying to achieve and what is broken: hours consumed by manual processes, cost of poor employee experience, capacity lost to avoidable queries. Then show precisely how AI addresses those issues and what measurable ROI looks like. Successful AI business cases answer four questions: What problem are we solving? What value will be created? What impact will this have on people and cost? How will risk be managed?

Q2 How do I know which AI product to use?

The answer usually starts with reviewing what you already have. Most HR systems have AI capabilities built into existing licensing that organisations never activated. Audit your current stack first. If gaps exist, define the specific scenario and desired outcome before going to market. Prioritise tools that serve multiple needs and connect naturally to your existing systems.

Q3 Where should we start and what should we focus on?

AI adoption should be viewed as an evolution, not a one-off initiative. Once the foundations are in place don't be afraid to start small, think about where AI can add the most value, run pilots, expand successful initiatives, redesign processes around AI capabilities and only scale when ready.

Don't jump for the sake of it. Stop and think about the 'why and what' before getting to the 'how'. Why do you need AI? Where are your use cases and your pain points? "80% of organisations pursue AI for efficiency, but the highest performers are those that also target growth and innovation." — McKinsey State of AI Survey

THE FOUR-STAGE AI ROADMAP

- Identify critical business scenarios — transactional, high-volume, high manual interventions
- Learn through doing one, review and adapt
- 12-month ROI — evidence-based expansion
- 24-month vision — expand strategic capability

CRITICAL SUCCESS FACTORS

- Executive sponsorship at board level
- Clear ownership of tool, content & outcomes
- Iterative delivery, not big-bang commitment
- Willingness to adapt if it isn't working
- ROI framed and measured from day one

> *AI success is determined less by technology selection and more by how effectively change is managed*

▶ ACTION

Develop the business case upfront and revisit it throughout the transformation lifecycle. Regularly assess the problem being solved, the value being created, how success will be measured, the impact on people and processes, and how risks will be identified and managed

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THEME FOUR

The Human-AI Balance

A key factor of successful AI usage is understanding where Artificial Intelligence adds value and where Human Intelligence remains essential.

4

VALUE

The Human-AI Balance

Q1

How do we manage the risk of over automating processes?

AI is powerful for transactional, high-volume, repetitive tasks: Policy queries, leave requests, document summaries, onboarding paperwork. It excels at pattern recognition and fast, consistent processing. It falls short on emotional intelligence, nuanced judgement, and any situation where context, empathy, or sensitivity matter.

A simple test: would you want to speak to a human in this situation? If yes, AI should not be the end point. ER cases, wellbeing conversations, and disciplinary matters require human presence, not a limitation to work around, but a design principle to build on.

Q2

How do you streamline work without losing the human touch?

Streamlining work without losing the human touch starts by breaking work down into tasks, decisions, and reviews across roles and processes. This helps identify where AI can add value through automation and faster access to information, and where human skills such as empathy, judgement, and relationship building are essential.

For example, in an HR Help Desk, AI can answer routine policy questions, draft responses, and route requests, while HR professionals focus on sensitive employee issues, complex cases, and conversations that require empathy. This approach creates better work design by ensuring AI complements people rather than replacing the human interactions that matter most.

Q3

How can AI positively impact employee experience and productivity?

AI can significantly enhance employee experience and productivity by removing everyday friction from work. Instant access to accurate information, AI-powered self-service, proactive manager recommendations, and multilingual translation capabilities help employees complete tasks more efficiently. By reducing time spent on repetitive and administrative activities, AI can enable employees to focus on higher-value work while decreasing the need to contact HR teams unless specialised or more complex support is required.

AI IS THE RIGHT CHOICE WHEN...

- The task is repetitive, rule-based, and follows consistent logic.
- High volume, routine, low emotional context
- Speed and consistency matter most
- Information retrieval is the primary need especially from large data sources or multiple documents

HUMAN MUST LEAD WHEN...

- Emotional intelligence is required
- The situation is sensitive or complex
- ER, performance, or disciplinary matters
- The person would want to speak to a human

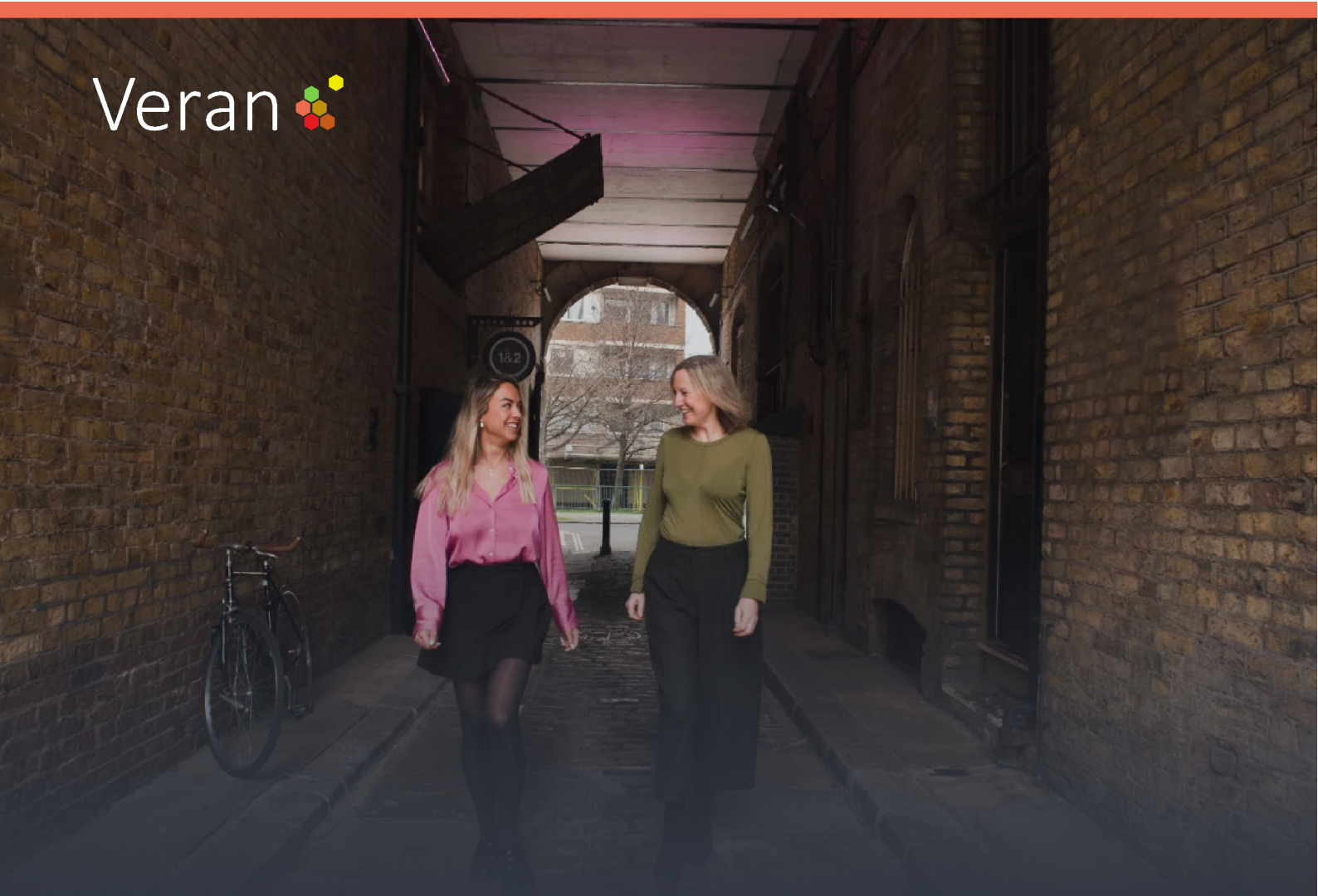
▶ KEY INSIGHT

The human-AI balance is not a technology challenge; it is a work design challenge. The objective should not just be to automate jobs, but to free people to spend more time applying uniquely human skills such as empathy, judgement, coaching, creativity, and relationship building. Organisations that redesign work at the skill level, rather than the role level, unlock the greatest value from both AI and their people

▶ ACTION

Ask yourself if we could free up capacity, what work would we want people to spend more time doing and what skills are required to do this. Using the above criteria map your HR processes/ tasks into two lists: AI-appropriate and human-led. This will help prioritise areas for deployment and ensures AI is applied where it can deliver the greatest value, while keeping people at the heart of the work.

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THEME FIVE

There Is No Future of Work Without People

AI will change the nature of work in HR and in the organisations HR supports. Those who proactively plan will be far better positioned to succeed than those who react.

SKILLS

5 There Is No Future of Work Without People

Q1 How can we better prepare for AI-driven workforce change?

AI is transforming jobs rather than simply replacing them. The World Economic Forum's Future of Jobs Report 2025 predicts 170 million new jobs will be created and 92 million will be displaced by 2030, resulting in a net gain of 78 million jobs, although it is unlikely that the newly created jobs will require the same skills or be in the same sector as the displaced.

The greatest impact of AI will be the automation of repetitive and routine tasks, allowing employees to focus on higher-value activities such as problem-solving, creativity, collaboration, and decision-making. Organisations that take a people-first approach can redesign work around outcomes, combining AI capabilities with human strengths to improve productivity and create greater value at scale.

The future workforce will be increasingly skill-based, requiring continuous learning, adaptability and a commitment to ongoing development. It is the organisation's decision if they see AI as a replacement for people or an enabler that empowers them to do their best work, develop new skills, and contribute more strategically to organisational success. The key is to be able to successfully align people with the work that energises them.

Q2 Will AI result in headcount reductions?

The honest answer: it depends on the choices leaders make. AI will free capacity in transactional roles. Whether that leads to reduction is a strategic decision, not an inevitability.

When organisations think primarily in terms of roles, freed capacity often leads to a headcount conversation: Do we still need this job? When organisations think in terms of skills, the conversation changes: Where else can this capability create value?

The most successful organisations use AI-enabled capacity to redeploy talent into areas that drive growth, innovation, customer experience, and transformation. Rather than reducing opportunity, AI can expand it by allowing people to apply their skills holistically where they are needed most.

If deployed correctly, AI should enable people to do more meaningful work, not less.

> *"The true value of AI is not replacing work, but empowering people to do their best work!*

▶ KEY INSIGHT

AI creates capacity; the skills lens determines what happens next. Organisations that redeploy freed capacity based on skills build a more adaptable workforce which generates greater value from their people. Organisations that focus only on roles often end up deciding who they can do without. The difference is not the technology; it is how leaders choose to redesign work around human capability.

▶ ACTION

Start with the outcomes you want to achieve, not the processes you have today. Adopt a skills-first approach to workforce planning by identifying which tasks can be automated, which can be augmented by AI, and which require uniquely human capabilities. This creates a clear roadmap for reskilling employees, redesigning roles, and enabling people to focus on higher-value work where they can have the greatest impact.

FINAL THOUGHTS

The Real Question isn't Whether to Adopt AI, But How to do it Responsibly

The reality is that AI is not going away. Its impact is no longer theoretical; it is measurable, practical, and already transforming the way work is performed. AI is reshaping roles, redefining how organisations create value, and changing expectations of productivity and performance. However, AI is neither a one-time deployment nor a one-size-fits-all solution. When implemented effectively, it can start with targeted use cases that deliver immediate value, then scale and evolve alongside changing business priorities, workforce needs, and customer expectations.

When it comes to AI, the conversations executives are actually having are around governance, adoption, work redesign and ensuring return on investment. As your organisation navigates the AI journey, these are the five pivotal questions every HR leader should be asking before approaching any deployment:

FIVE CRITICAL QUESTIONS FOR HR LEADERS NAVIGATING AI TRANSFORMATION

01 GOVERNANCE

Is your governance model AI ready?

Sustainable AI starts with clear ownership and defined accountability. Governance must be established before deployment, not added afterwards.

02 PEOPLE

Are you leading the people side as rigorously as technology?

AI does not create value on its own. Early engagement, transparent communication, and continuous learning are essential to building trust, driving adoption, and realising value.

03 TECHNOLOGY

Are you clear on the outcome you want to achieve?

Before implementing AI, define the problem, the measure of success, and who is accountable for delivering it.

04 VALUE

Have you designed the human-AI balance deliberately?

Use AI to automate routine tasks while enabling people to focus on judgement, creativity, and value-adding work. The boundary should be intentional, not accidental.

05 SKILLS

Are you treating AI as workforce evolution, not replacement?

AI will reshape how work gets done. Organisations that invest in new skills and capabilities today will be best positioned to thrive tomorrow.

▶ FINAL THOUGHT

The organisations achieving the greatest return from AI are not those with the largest budgets or the most advanced technology. They are the ones that treat AI as a transformation, giving equal attention to people, processes, governance, and technology. AI will create a competitive advantage but only when it is embedded at the core of how work is designed, managed, and continuously improved. Treat it as an evolution not revolution! Start with 'controlled experimentation with a focus', not a complete re-design of your whole HR technology landscape.

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ABOUT VERAN

Helping organisations move from Vision to Execution

Founded in 2012, Veran is an independent transformation consultancy, created to close the gap between what organisations expect from technology, AI and business change, and what they actually achieve. As a trusted transformation partner, our goal is simple: to leave every client stronger, more confident and more self-sufficient than when we arrived.

From strategy and business case development through to implementation, adoption and optimisation, we combine expert advice with hands-on delivery support to help leaders make informed decisions, reduce risk, build capability and realise measurable value from transformation.

HOW WE HELP

HR & Finance Transformation

End-to-end transformation support, from target operating model design and technology selection through to implementation and adoption and optimisation

AI Strategy & Adoption

Practical, data-driven support to assess readiness, build impactful business cases, define strategy and realise measurable value from AI investment.

Operating Model Design

Helping organisations design the structures, roles and ways of working needed to deliver sustainable change.

Change & Adoption

Human-centred change management that builds engagement, develops capability and brings people on the change journey with you.

Technology Enablement

Independent, vendor-agnostic advice to help organisations maximise value from existing technology and future investments.

Workforce & Capability

Workforce planning, skills identification and capability development to prepare organisations for future challenges and opportunities.

READY TO MOVE FROM VISION TO EXECUTION?

Whether you're just getting started or looking to scale — speak to one of our team of experts

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