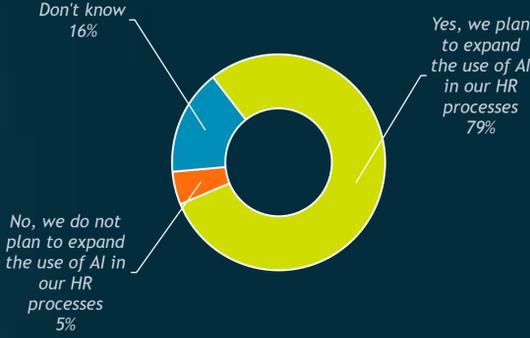


79% of HR professionals plan to expand the use of AI in HR processes

The adoption of AI in HR seems assured. Whilst almost 80% plan to expand their adoption of AI in HR, it is only a very, very small minority - 5% of HR leaders - who have no plans to expand the use of AI their HR processes. AI is coming to HR and with a host of knock-on effects across the employee experience and HR operations. But how will HR processes and operations change?

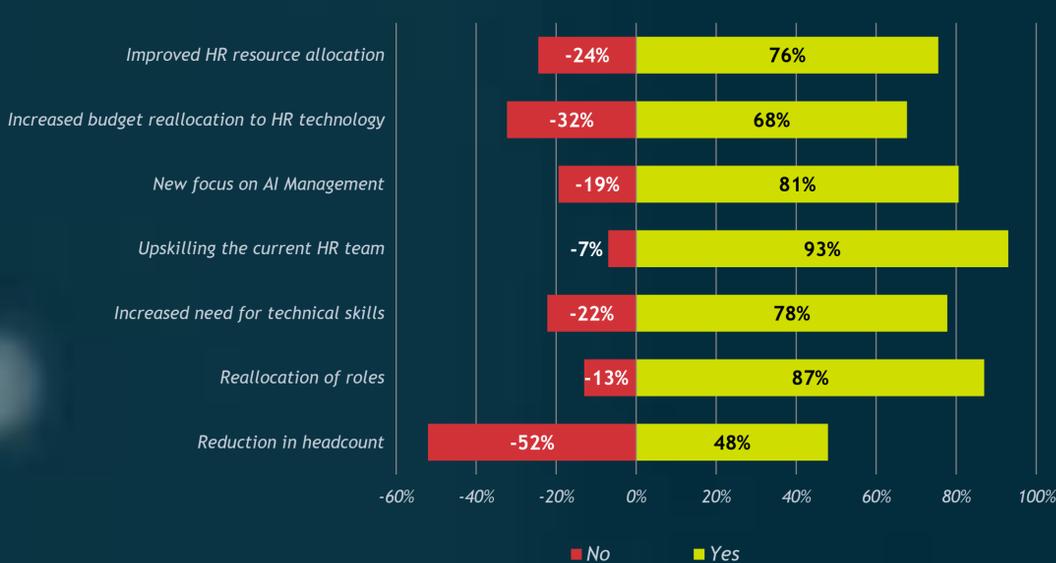
Are you planning to expand the use of AI in your HR processes in the future?



The most significant impact of AI on HR teams will be the upskilling and the reallocation of HR into new 'people intelligence' roles

HR leaders expect the impact of AI in HR to have a major impact on shaping the HR teams of the future. Not only is that seen as a driver of new skills for HR professionals across the HR team, but also in the roles HR teams focus on and the reallocation of HR resources into AI management and investment in HR technology. The role of HR is going to change. Already, thought leaders around the future of HR point at the growing role of strategic people intelligence and being a strategic people strategy advisor - particularly in the themes of workforce planning, people agility, releasing engagement and business plan execution.

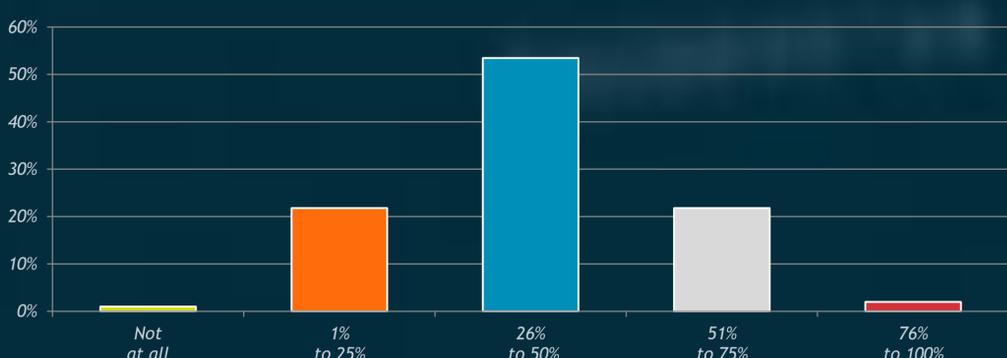
What impact do you think AI will have on your HR team in the next 2-5 years?



By 2030 half of HR professionals think that between 25% to 50% of HR's role could be automated by AI and still be effective

When we ask HR leaders to think about the potential depth of impact of AI on their HR operations by 2030, the expectations are profound, if not astonishing. Around one in four think that more than half of HR's role in the organisation could be automated or be made redundant through the adoption of AI - and, most importantly, still be as effective as today. Even those who are more moderate in their assumptions about the impact of AI in HR have relatively high expectations. Over half of those HR leaders in our survey believed that between 25% and 50% of HR's role could be automated with no detrimental impact on HR's effectiveness.

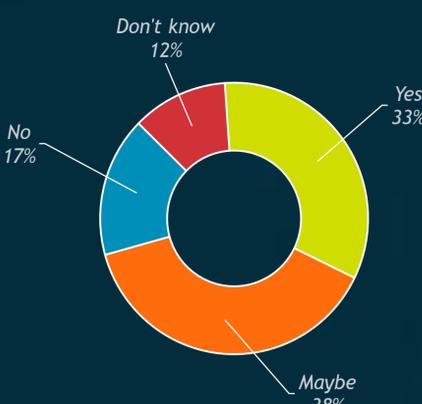
By 2030 how much of HR's role in organisations today do you believe will be automated or be made redundant by AI and still be effective?



Only one in three HR leaders thinks the adoption of AI in HR means a reduction in the cost of their HR operations

The full cost implications of adopting AI into HR systems and processes are not clear to HR professionals. Whilst one third see cost advantages to using AI in HR, there is significant uncertainty as to the financial implications of adopting AI on the overall costs of HR operations.

Do you expect the cost of HR operations to reduce because of the adoption of AI in HR systems and in supporting people processes?



There is an interesting conundrum at the heart of AI's promise. Whilst HR teams see the potential, what they are not able to do is articulate the operational value-add of adopting it.

The business case behind using AI in HR is one of efficiency and effectiveness, but few seem certain of what that means in reality. How much efficiency or additional effectiveness does AI deliver in different processes? Perhaps this vagueness is driven as much by HR tech vendors as by AI buyers. But the implications are significant.

At some point in the future, the comparative effectiveness and efficiency of different HR-AI options is going to be a critical factor in selecting one solution over another. That is to say, the realised efficiencies and effectiveness in terms of the AI solution and its impact on the costs of HR ops is going to be a real differentiator in understanding different solutions' total cost of ownership. Why would you choose an AI process that is twice as cost effective as your existing AI-free process when you can have an AI approach that is ten times more cost effective?

The future of HR lies in becoming a people and workforce intelligence function as much as the owner of people processes

AI's role in advancing and democratising HR processes is at the core of HR leaders thinking. Nowhere is this clearer than in the expected enablement of HR analytics and workforce intelligence. Whilst much focus has been placed and continued to be placed on HR productivity through AI, what is fascinating is the power of AI to also advance HR's influencing strategies to business leaders, managers and individuals by providing better intelligence and insights. These may yet be the most significant gains for HR, as the provider of people insights powers critical business execution decisions and strategic business influencing, in ways it could never imagine before.

What HR processes do you think will be most impacted by AI in the future?

