



Voice of the **CHRO**

A recurring conversation with CHROs
on talent and culture topics



January 2025

CHROs chart a course for a skills-driven workforce

It's a new year with new and exciting possibilities. Our first hosted conversation with chief human resource officers (CHROs) reminded us of that. In a lively, nonstop discussion, CHROs delved into their strategic priorities and challenges for the year. We covered the critical role of workforce planning in aligning with business objectives and adapting to market demands. CHROs emphasized the use of advanced digital and AI tools for enhancing their workforce planning programs and facilitating the ongoing shift to a skills-driven workforce.

We learned the importance of collaborating with other C-suite executives, particularly the CFO and CIO, for funding and integrating AI with workforce plans. We also discussed the value of piloting new programs to gain stakeholder buy-in and validate approaches before full-scale implementation. With insights shared between CHROs and connections made, one thing became clearer—the course ahead won't be a cakewalk but rather a rewarding journey.

On the CHRO agenda

Workforce planning

Strategies that help serve business goals

Skills implementation

Leveraging a skills framework

Pilots

Proof before rollout

Workforce planning

Strategies that serve business goals

Workforce planning is on the minds of CHROs. This type of HR work demands smart strategies and thoughtful leadership to analyze ever-fluctuating workforce supply and demand while accounting for business goals for this year and the near term.

A CHRO with a healthcare company put it this way. "With six unique business units, what strategies, talent, and workforce planning do each unit need? Serving those needs entails a build or buy strategy. It requires that you be in lockstep with your business strategy."

For a major retailer with facilities across the US, workforce planning can sound empty. The retailer's large footprint means other issues weigh more, such as population shifts, internal forecasting, and reporting. Being able to predict workforce demands with greater precision helps with fluctuating market conditions. Clear performance metrics enable measuring the relative success of workforce planning efforts.

Sometimes, workforce planning requires CHROs to partner with others in the C-suite, such as the CIO. It's a good collaboration given every major organization has vast amounts of workforce data.

"By partnering with our CIO, we're able to leverage AI tools to better predict what skills are going to be replaced by automation," added the CHRO for a global pharmaceutical company. "We can also apply an AI lens to help better understand skills needed in the future."

CHROs collaborate with more than their CIOs for AI and CFOs for buy/build plans. Workforce planning can benefit most when CHROs bring together HR professionals, business leaders, and key stakeholders. The unified approach delivers more diverse insights with greater acceptance.

However, workforce planning can't solve one CHRO's recurring recruitment

issue. "I don't need workforce planning to figure out we have a nursing shortage," remarked the CHRO with a leading provider of medical services and specialties. "We're about to start an ERP journey that has us thinking about job families, job functions, a learning management system, and compensation."

Workforce planning with digital tools such as ERP, AI, data, business metrics, and by collaborating with other departments is the way forward for CHROs. Continuous alignment with business objectives helps build a workforce that both meets current demands and prepares for future challenges.

"Workforce planning is like solving world hunger. It's a universal problem that never goes away."

— CHRO for a global health company

Skills implementation

Leveraging a skills framework

HR professionals today judge job applicants by skills rather than degrees or even experience. As one CHRO put it, “we’ve removed degrees from the vast majority of our job descriptions and working toward a skills upgrade plus construct.”

As a group, CHROs are in various stages of the skills journey. Some are investing in AI to assist with skills mapping and frameworks. Others are working on efforts to upskill or reskill non-digital associates. A few are leveraging skills taxonomy to facilitate cross-functional movement of talent within the organization, which leads to increased internal movement and better alignment with future skill needs.

“In the last 12 plus months, we’ve expanded our skills mapping to our entire workforce,” noted the CHRO for a global pharma company. “Associates that have opted into skills are starting to manage their careers from a skills perspective. We also use the same platform for recruitment.”

For an IT provider that places IT talent with client businesses, a skills-based approach is a win-win for clients and talent. The CHRO shared what it’s meant for business.

“In the last six months, we’ve added 1.4 million skills to the platform. The average number of skills for certain groups

went from 6 or 7 to 20. Bench time (the amount of time an IT professional sits idle before placement) has been reduced. We also discover adjacent skills that can be added with two to four weeks of training.”

A key issue with skills is confirmation. Associates can self-report skills but who confirms? The answer is managers and leaders. The CHRO offered more to the story.

“Our associates came forward and skilled themselves with great uplift right off the bat. We needed managers and leaders to validate the skills. If I had to do it all over again, I would have advocated for more management involvement.”

Whether it’s identifying emerging skills or sunsetting skills no longer needed, management serves the role of governance, which is incredibly important. For example, governance can answer, what’s the leading approach for classifying and clustering skills? Governance provides the guardrails and guidance to help ensure the full embrace of skills is a journey that goes as smoothly as possible.

“What keeps me up at night is the management of ever-evolving skills taxonomy.”

— CHRO for a global pharma company

Pilots

Proof before rollout

A popular saying is “Go big or go home.” Another is “It’s a moon shot.” Both sentiments are used to rally the group or populace to a worthy goal that requires sacrifice and great effort. For CHROs, such thinking is a recipe for failure. What works better for advancing the workforce is a pilot.

A pilot approach offers several advantages for introducing a new program, such as lower risk, stakeholder buy-in, validation, and an opportunity to build a wellspring of support. A CHRO added on to the list of advantages for a pilot.

“We started with a pilot to manage expectations of the organization. A pilot was helpful for better understanding where we have continued pressure and with time to address it.”

For another CHRO, the reason for selecting a pilot is the company’s culture. “I’ll pilot it before we unleash it. We must explain why it’s different and makes sense. Culturally, everyone is pretty much treated the same and paid similarly. Over time, we’ll get there.”

The IT provider CHRO sees the value of doing a pilot and getting a lot of buy-in. “Procurement was involved. Finance was engaged. The same was true with

clients and delivery partners. We created a simpler program, so we could get everyone on board and excited.”

Pilots are a great fit with AI initiatives. A CHRO pursued an AI use case to broaden the candidate pool. “Our job openings would sit there for over 100 days. Our hope was unlocking and unleashing an AI solution to better identify new candidates. We had some early wins that gave us reason to believe.”

Proving that pilots can scale, the CHRO’s initial AI use case is being expanded into talent insights and by connecting it to the company’s learning platform.

Both Lisa Massman, KPMG LLP (KPMG) partner and leader of Human Capital Advisory, and Sandy Torchia, KPMG vice chair of Talent and Culture, know firsthand the value of pilots. “The biggest challenge we see is taking on too much at a given time and everybody gets nervous,” said Massman. According to Torchia, “It’s good to understand things at the front end of the process. You’re engineering the solution that way.”

“A pilot lets you fly.”

— Sandy Torchia, KPMG Vice Chair of Talent and Culture

Key considerations

- Partner with CIO and CFO on workforce planning
- Look to AI to assist with skills initiatives
- Borrow a change management playbook for pilots

Additional resources

[5 Advantages of skills-based talent strategies](#)

[Strategic workforce planning in the age of GenAI](#)

[How GenAI can transform employee learning and development](#)



Sandy Torchia

Vice Chair of Talent and Culture

KPMG LLP

T: 412-232-1554

E: storchia@kpmg.com



Lisa Massman

Partner, Human Capital Advisory

KPMG LLP

T: 213-955-1524

E: lmassman@kpmg.com



Some or all of the services described herein may not be permissible for
KPMG audit clients and their affiliates or related entities.

Learn about us:  kpmg.com

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act upon such information without appropriate professional advice after a thorough examination of the particular situation.

© 2025 KPMG LLP, a Delaware limited liability partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved. The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organization. USCS025975-2A