



Voice of the CHRO

A recurring conversation with CHROs
on human resources-related issues



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How AI is Impacting the Workforce of the Future

As AI tools become more embedded within HR departments, the world of the CHRO leader is changing. Not only are they helping their organizations rethink roles and develop holistic workplace strategies that blend the best of human and digital labor, but they are also serving as advocates within their companies in showing how AI tools such as chatbots, Copilot, and talent acquisition platforms drive value and efficiencies. The results are creative new programs and events that create energy and excitement about AI, which will ultimately drive adoption rates up and sustain this new technology in the years to come.

The following insights emerge directly from conversations with KPMG and CHRO executives who are at the forefront of this monumental change. They speak to both the challenges and rewards involved in the future of work at their respective organizations. As AI becomes more prevalent across functions and industries, CHRO leaders are at the forefront of planning and activating the transition to a human-digital hybrid labor ecosystem. The key is agility - designing and implementing a continuously evolving work ecosystem that seamlessly unites these components together to produce greater efficiency and value.

On the CHRO agenda

Stopping the 'Sprawl'

Creating the right governance for AI

Addressing AI Resistance

Finding creative ways to reduce stigma

New Hiring Models

Deploying AI for New Capacities

Stopping the 'Sprawl'

Creating the right governance for AI

Clearly, CHRO leaders have an important role to play in driving adoption and upskilling workers to use AI tools that will ultimately generate long-term value to their organizations. Participants described various ways they created productivity gains via including automating help desk services, leveraging chatbots for tiered support, and using AI-driven tools for talent acquisition and candidate experience.

Many emphasized the importance of establishing the right framework early in the process. A CHRO from a global restaurant group said that being in the early stages of utilization at her company, it was important to align AI policy across technology, legal, audit, HR, and data privacy teams to clarify supported tools and usage expectations. Another CHRO also emphasized the importance of IT governance and federated

approaches, enabling broad participation in agent development while maintaining oversight.

Also discussed was the challenge of “agent sprawl,” the phenomenon describing when AI agents multiply without governance and can, as a result, create security and cost risks, as well as business disruption. This too illustrates the need for governance, in this case the establishment of an agent registry and a central strategy for managing

digital labor. Because ownership often falls between IT and HR, collaboration is required to support agent management and to prevent potential chaos.

“Gaining alignment, while not a terribly sexy part of the whole process, is really important because it gives you clarity and alignment”

—Multinational restaurant group CHRO

Addressing AI Resistance

Finding creative ways to reduce stigma

We are witnessing a seismic shift in not only how we perceive work, but how this new work is managed. AI is introducing new opportunities for organizations, but there remains resistance on all levels to whether its benefits outweigh the costs. According to MIT, about 5% of investments into AI are translating into business value.

Mindset and adoption strategies were discussed as most CHRO leaders expressed the need to become creative in meeting the natural resistance resulting from the introduction of AI tools. One CHRO leader explained her company's approach was to contextualize AI as a "teammate" in the workforce and not a competitor. To remove the stigma

and encourage engagement, her organization created a competition that celebrated top Copilot and ChatGPT users among the HR staff.

A multinational insurance CHRO talked of creating programs to celebrate those in the workforce who are actively learning AI and developing new capabilities. One example she shared was an

administrative assistant who learned how to code via AI which gave her the ability to advance within the organization. She was recognized in a global town hall and met with the CEO. The feedback was overwhelmingly positive and helped create goodwill around AI while letting people visualize how new technology could also play a role in bolstering their careers.

"We're starting to lead from the front and are challenging the operations team around the digital roadmap in HR and where we are going next."

—Multinational CPG company CHRO

New Hiring Models

Deploying AI for New Capacities

As AI permeates the talent architecture of HR departments, hiring models are evolving to accommodate roles and capabilities shared among the new digital-human workforce. This is creating an increased need for HR leaders to play a role in when to build digital agents, and the partnerships required to build these capabilities, so they add long-term value.

When discussing this new paradigm, one participant, a CHRO for a global tobacco company, described efforts to deconstruct jobs into tasks and skills, enabling organizations to identify which are automated or augmentable. AI, she said, is not about replacing jobs but only replacing skills or tasks. Having the ability to bucket both skills and tasks will allow HR leaders

greater clarity about how to align proper roles to both humans and their digital counterparts. She referenced partnerships with vendors that can be accessed to map current and future skill needs.

Similarly, one CHRO from a US healthcare company said other initiatives using internal AI can be

used to conduct skills gap analyses and inform both learning and development pathways.

“When we’re talking about AI with humans at the helm, HR has a huge obligation to think about workforce engineering.”

—Global tobacco company CHRO

Considerations

- Make sure you bake in good governance that is sustainable, customized to your organization, and supports AI usage in the future.
- Develop creative ways to make your workforce comfortable with AI tools and to encourage greater adoption.
- Approach your roles as skills and tasks, not just humans and AI, which will ultimately help you reshape a more sustainable workforce.

Additional resources

Enable your organization with KPMG AI Workforce

KPMG AI Workforce deconstructs organization's jobs & activates GenAI transformation across workforce

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