cognizant

The AI era:

A defining moment for Chief Human Resources Officers (CHROs)

Foreword

Artificial intelligence is redefining the future of work. What was once the domain of incremental HR optimization has now become a strategic lever for enterprise performance, resilience, and growth. As AI reshapes how work is designed, governed, and executed, workforce strategy is no longer a support function—it is a central enterprise capability.

At Cognizant, we see this transformation every day. Expectations of HR leadership are rising faster than structural readiness, and the mandate of the Chief Human Resources Officer (CHRO) is expanding beyond people management to orchestrating human and AI-enabled work at scale. This shift demands coherence across operating models, governance, and partner ecosystems—because technology adoption alone is not enough.

Enterprises are piloting and scaling AI across HR processes, yet adoption remains fragmented. The challenge is not ambition, but integration. Closing this gap requires bold leadership: consolidating ownership of workforce decisions, embedding AI into end-to-end employee journeys, and ensuring trust, transparency, and accountability in governance.

The impact of getting this right is transformative. Organizations that integrate AI-enabled execution into their HR operating models will unlock productivity, agility, and employee experience at scale. They will move beyond efficiency toward strategic influence—strengthening resilience and competitiveness in an era where talent and technology are inseparable.

This Everest Group research, supported by Cognizant, offers a roadmap for CHROs to navigate this defining moment. It highlights how enterprises can evolve HR operating models, orchestrate ecosystems, and embed AI to deliver sustainable outcomes.

We hope you find this report insightful as you shape the future of workforce strategy in your organization.

Putul Mathur

Vice President and Global Practice Head,
Employee Experience Services, IOA, Cognizant

Everest Group®

April 2026

The AI Era: A Defining Moment for Chief Human Resources Officers (CHROs)

Contents

03 Introduction

04 Executive summary

05 The CHRO moment in the age of AI

06 Reality check – where HR functions stand today

09 Defining the future-ready HR operating model in an AI-first enterprise

13 The evolving role of a provider

17 Preparing for 2026 and beyond: the CHRO agenda in an AI-driven enterprise

19 Conclusion

20 Appendix

Introduction

Workforce strategy is emerging as a core determinant of enterprise performance. Advances in AI, accelerating digitalization, and persistent talent constraints are reshaping how work is designed, delivered, and governed. As work becomes more fluid and technology-enabled, decisions around skills, productivity, and workforce composition are moving to the center of enterprise strategy. This shift is materially expanding the scope of the Chief Human Resources Officer (CHRO) toward enterprise-wide workforce orchestration.

This Viewpoint is based on a survey-led study conducted by Everest Group to examine how enterprises are responding to the expanding CHRO mandate in the age of AI. The research draws on insights from senior HR leaders, Chief Transformation Officers (CTOs), and Chief Digital Officers (CDOs) across industries, enterprise sizes, and geographies. It explores how HR priorities are evolving, where HR functions stand in their AI and digital journeys, and what structural changes are required to translate rising expectations into sustained workforce and business impact.

Specifically, **this Viewpoint examines:**

- How CHRO priorities are shifting amid AI adoption, productivity pressures, and increasing workforce complexity
- The current state of AI and digital maturity across HR functions
- The operating model changes required to enable a future-ready HR function in an AI-first enterprise
- How the role of external providers is evolving from transactional support to strategic co-creation
- The implications of these shifts for CHRO agendas as enterprises look toward 2026 and beyond

Executive summary

Workforce strategy is moving to the center of enterprise performance. As artificial intelligence reshapes how work is designed, governed, and executed, decisions about skills, productivity, and workforce composition are becoming strategic imperatives rather than operational considerations. This shift is materially expanding the mandate of the Chief Human Resources Officer (CHRO), from managing HR processes to orchestrating human and AI-enabled work at scale.

The enterprises are piloting or scaling AI across selected HR processes, and expectations of the CHRO role are evolving accordingly. Most organizations anticipate HR playing a more central role in enterprise productivity, digital enablement, and data-driven decision-making over the next two to three years.

However, scale remains uneven. While standardization and automation have improved efficiency, few HR functions operate with digitally enabled, insight-driven, or AI-augmented operating models. AI adoption remains concentrated in discrete use cases rather than embedded across workforce planning, talent strategy, and end-to-end service delivery. The constraint is not ambition. It is operating model coherence.

Four structural gaps are limiting enterprise-scale impact:

- **Ownership fragmentation** – Strategic accountability for workforce outcomes is rising, but authority over AI execution and operating model design remains uneven
- **Operating model ceilings** – Centralized and standardized models improve control but do not inherently enable agility or integrated decision-making
- **Insight bottlenecks** – Data is increasingly available, yet capability gaps in analytics and AI fluency constrain HR's strategic influence
- **Governance pressures** – As AI moves closer to workforce decisions, trust, transparency, and accountability are emerging as prerequisites for scale

At the same time, enterprises are recalibrating their approach to partnerships. Scaling AI-enabled HR is increasingly an ecosystem design challenge, not solely an internal transformation effort. Expectations of service providers are shifting from transactional delivery toward strategic co-creation, workforce advisory, and AI enablement. This elevates the CHRO role from vendor oversight to ecosystem orchestration.

Looking ahead to 2026 and beyond, the differentiator will not be the speed of AI adoption, but the discipline with which enterprises align ownership, operating models, insight capability, governance, and strategic partnerships. HR functions that treat these elements as an integrated system will convert experimentation into sustained workforce productivity and resilience. Those that address them in isolation will remain caught between pilots and partial transformation.

The CHRO role is no longer evolving at the margins of enterprise strategy. It is becoming a central lever of organizational performance in an AI-driven economy.

The CHRO moment in the age of AI

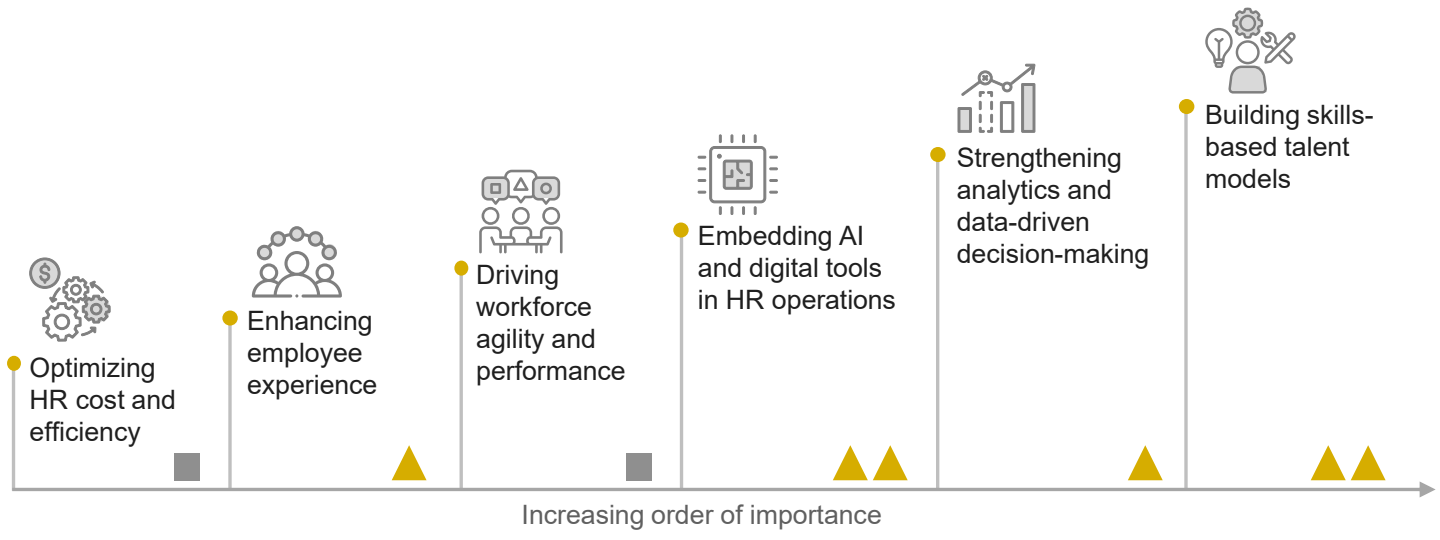
The CHRO role is at a structural inflection point. As AI, digitalization, and talent scarcity reshape how work is executed, the CHRO mandate is expanding beyond people management toward enterprise-wide workforce orchestration. Increasingly, CHROs will be expected to govern how human and AI-enabled work is designed and scaled, align talent and technology decisions with business priorities, and steward workforce systems across the enterprise. HR is beginning to transition from a functional support role toward a central driver of agility, productivity, and transformation.

This evolution is reflected in the key HR function priorities highlighted in Exhibit 1. Enterprises place the strongest emphasis on workforce agility and performance, as well as employee experience, each cited by nearly 9 in 10 respondents. Analytics and data-driven decision-making and cost optimization follow closely, reinforcing a dual focus on performance and efficiency. Embedding AI and digital tools within HR operations is now a priority more than three-quarters of enterprises, signaling a shift toward scaled enablement. Meanwhile, building skills-based talent models is already a strategic priority for two in four organizations, indicating that skills-led workforce transformation is no longer aspirational but increasingly central to near-term HR agendas.

Exhibit 1 illustrates the current priorities of HR functions.

Exhibit 1: Priorities of HR functions

Source: Everest Group (2026) [ILLUSTRATIVE]



This shift is not theoretical. Enterprise signals indicate that executive expectations are already evolving. HR leaders are being drawn more deeply into strategic discussions around productivity improvement, digital transformation, and long-term workforce sustainability.

Together, these developments are reshaping expectations of HR leadership. However, the expansion of the CHRO mandate is outpacing the operational readiness of many HR functions, creating a growing tension between ambition and execution.

Reality check – where HR functions stand today

AI adoption within HR has moved beyond experimentation. Survey findings indicate that 77% of enterprises are piloting or scaling AI across HR processes, with digital-native industries such as hi-tech, telecom, and BFSI leading adoption. However, enterprise-wide scale remains rare: fewer than 2% report AI as fully embedded across HR. For most organizations, adoption remains fragmented and use case driven, applied to isolated processes rather than integrated into workforce planning, talent decisions, and end-to-end HR workflows.

Exhibit 2 illustrates the current distribution of HR AI maturity across industries.

Exhibit 2: AI maturity in HR processes

Source: Everest Group (2026)

[ILLUSTRATIVE]

	Overall	Digitally native industries	Operational and asset-heavy industries
	100% = 105	100% = 54	100% = 51
Experimenting	22%	24%	24%
Running pilots	50%	48%	57%
Scaling AI across HR processes	27%	26%	19%
Fully scaled and embedded	2%	3%	0%

This gap between experimentation and scale is reinforced by broader HR digital maturity levels. Nearly 60% of respondents describe their HR function as relying primarily on automation for transactional processes, supported by descriptive analytics and basic dashboards. A smaller share report broader automation with emerging predictive capabilities. Only a small fraction indicate that HR decision-making is driven by intelligent automation and prescriptive analytics. These findings suggest that while efficiency gains from automation are becoming more common, insight-driven HR remains out of reach for most organizations.

Process maturity reflects a similar ceiling. While many enterprises have standardized and centralized HR operations, only a limited share have progressed to digitally enabled, insight-driven, or AI-augmented models. Standardization has improved control and consistency, but it has not translated into agility, responsiveness, or strategic influence.

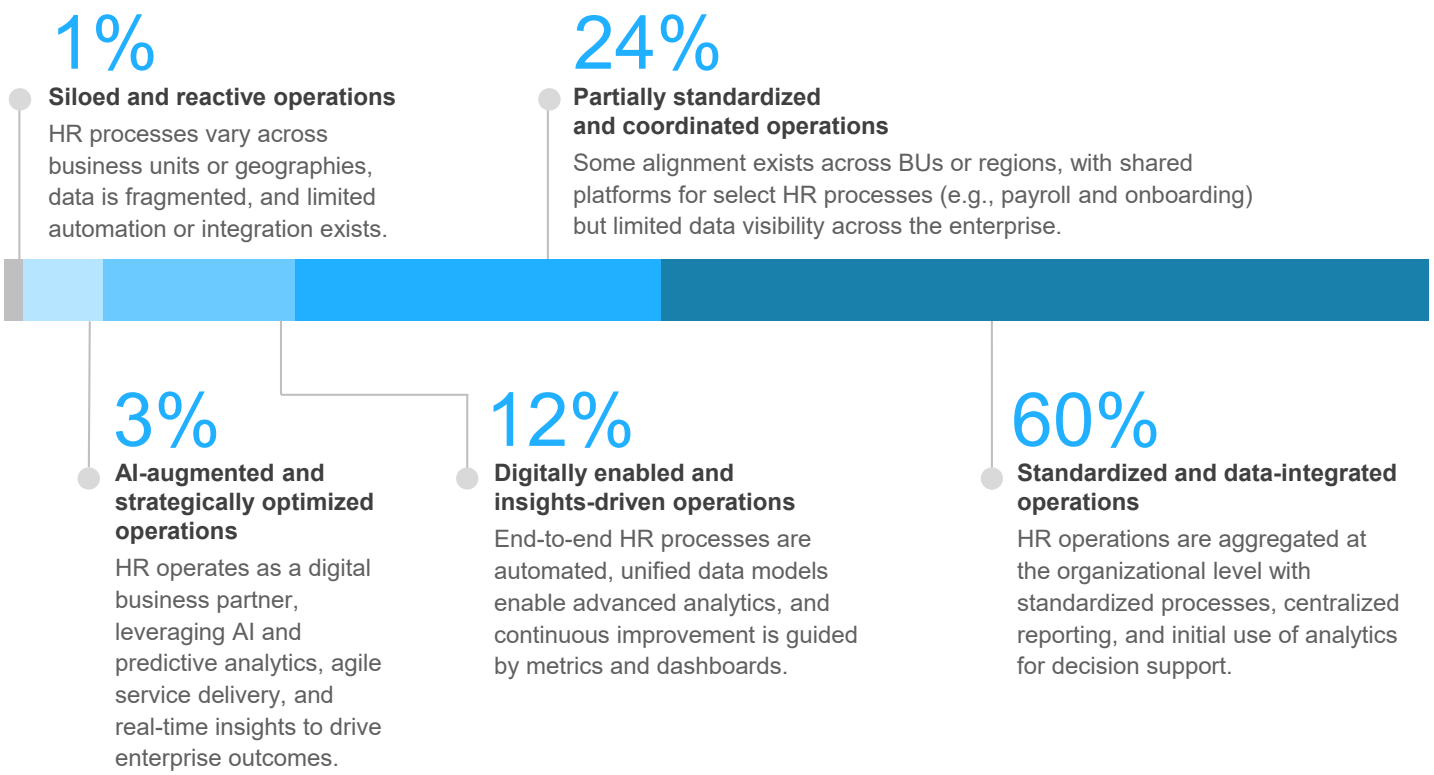
Exhibit 3 outlines HR process maturity levels across enterprises.

Exhibit 3: HR process maturity levels

Source: Everest Group (2026)

[ILLUSTRATIVE]

% share of respondents



Enterprise intent to transform remains strong. More than 90% of organizations indicate openness to AI-driven HR transformation, underscoring broad recognition that inaction is not an option. However, investment posture varies by enterprise size. Overall, 31% report a strong propensity to invest aggressively, while a larger share prefers a cautious, phased approach. This divergence is most pronounced in the mid-market (1,000-10,000 employees), where 51% favor incremental transformation, reflecting tighter budget controls and higher sensitivity to execution risk. Larger enterprises are more polarized, with nearly four in ten willing to invest aggressively to gain competitive advantage. Enterprises acknowledge the strategic imperative of AI-driven HR transformation, but calibrate investment intensity based on scale, risk tolerance, and organizational readiness.

Exhibit 4 highlights organizations' propensity to invest in AI and how it varies by enterprise size.

Exhibit 4: Organizations' appetite to invest in AI

Source: Everest Group (2026)

[ILLUSTRATIVE]

	Overall	Midsize (1,000-10,000)	Large (>10,000)
Strong willingness to invest aggressively to gain competitive advantage	31%	17%	39%
Cautious about large-scale transformation; prefer a phased, step-by-step approach	46%	51%	43%
Open to transformation, but current financial constraints limit significant investment	23%	31%	19%

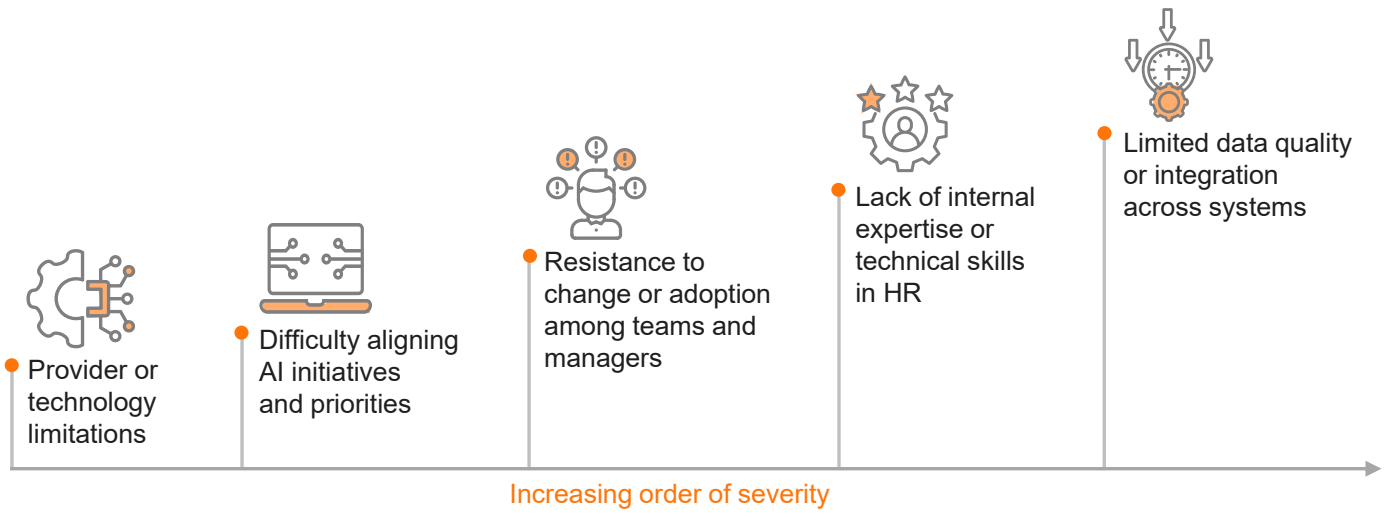
Importantly, these constraints vary by enterprise context. Larger enterprises often demonstrate higher levels of experimentation and standardization, yet they also face greater integration complexity across regions, systems, and business units. Knowledge-intensive industries tend to advance faster in analytics-led use cases, while operationally intensive sectors focus more heavily on efficiency and automation. Scale amplifies coordination challenges, making integration, governance, and decision rights more difficult to align.

Despite widespread experimentation, AI scale within HR remains constrained by structural and capability gaps. The most significant barriers include data quality and system integration challenges, limited internal AI and technical expertise, and resistance to change across HR teams and managers. Unclear RoI and constrained business cases further slow the transition from pilots to enterprise-wide deployment. Persistent gaps in leadership alignment and IT support reinforce that AI adoption in HR is fundamentally an organizational and governance challenge, not merely a technology issue. Exhibit 5 highlights the key challenges rated by enterprises (in ranked order).

Exhibit 5: Key challenges in scaling AI within HR

Source: Everest Group (2026)

[ILLUSTRATIVE]



Expectations from HR have expanded faster than most HR functions' ability to deliver at scale. Closing this gap will require more than incremental technology adoption. It will demand structural shifts in operating models, capabilities, and governance.

Defining the future-ready HR operating model in an AI-first enterprise

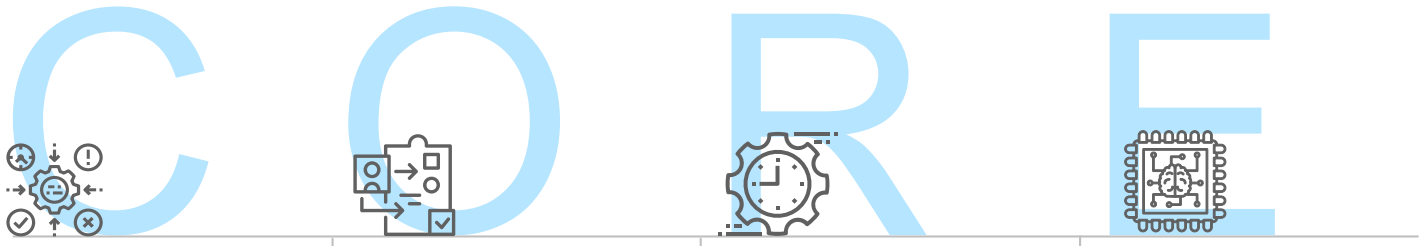
As AI reshapes how work is performed and governed, HR operating models designed for stability and incremental optimization are increasingly misaligned with enterprise needs. Despite investments in automation, standardization, and modern platforms, results remain uneven. Productivity gains are localized, insights do not scale, and HR's influence on enterprise decisions lags rising expectations. The differentiator is not technology adoption, but operating model coherence. The differentiator is not technology adoption alone, but operating model coherence.

Future-ready HR operating models evolve across four interdependent dimensions captured in the CORE framework: consolidated ownership of workforce decisions, end-to-end service delivery across employee journeys, integrated decision intelligence, and embedded AI governance. Consolidated ownership clarifies accountability for workforce planning, skills deployment, automation design, and talent mobility. End-to-end delivery ensures that hiring, onboarding, learning, performance, and analytics operate as integrated journeys rather than disconnected functions. Together, these elements enable HR to move from fragmented execution to coherent workforce orchestration.

Exhibit 6 summarizes the defining pillars of a future-ready HR operating model.

Exhibit 6: CORE framework for an AI-ready operating model

Source: Everest Group (2026) [ILLUSTRATIVE]



Capability ownership and workforce orchestration

Clear ownership of human + AI workforce strategy

Accountability for productivity, agility, and skills outcomes

Orchestrate end-to-end HR processes

HR services designed as end-to-end journeys

Intentional AI integration and human decision-making

Scalable delivery across regions and business units

Real-time, insight-driven workforce decisions

Predictive and scenario-based workforce insights

Data and AI fluency embedded across HR roles

Evidence-led decision support for leaders

Embedded AI governance and trust

Governance built into HR workflows by design

Clear accountability for ethical and responsible AI use

Balance between innovation speed and workforce trust

Capability ownership and workforce orchestration

Survey findings indicate that HR leaders are increasingly accountable for shaping workforce strategy, leadership pipelines, and talent priorities in a Human + AI environment. However, perceived ability to take ownership declines when it comes to embedding AI and digital tools into HR execution and operating model redesign.

This pattern reflects not a lack of responsibility, but structural fragmentation. While CHROs are expected to define workforce strategy, authority over AI enablement, system integration, and operating model execution often remains distributed across HR, IT, and business functions. As execution complexity increases, ownership diffuses.

When workforce strategy is not structurally connected to AI enablement and operating model design, transformation remains siloed rather than systemic. AI adoption becomes a parallel initiative rather than an integrated workforce design decision.

Exhibit 7 highlights the extent of responsibilities attributed to HR leaders.[1]

1 Respondents selected multiple responsibilities; therefore, totals exceed 100%

Exhibit 7: Extent of HR leaders' responsibilities

Source: Everest Group (2026) [ILLUSTRATIVE]

Strengthening leadership pipelines and success planning — 73%

Driving workforce and talent strategy for human + AI workforce — 59%

Building and scaling a skills-based organization — 53%

Reimagining employee experience and engagement — 53%

Embedding AI and digital tools in workforce and HR transformation — 39%

HR leaders should prioritize establishing a coherent ownership model in which workforce strategy, skills priorities, and AI enablement sit under unified accountability. Workforce orchestration must be treated as an enterprise design responsibility, not a collection of parallel HR initiatives.

Orchestrate end-to-end HR processes

Current HR operating models were built for stability and functional efficiency. While many enterprises have standardized processes and introduced automation, these structures struggle to support AI at scale. Fragmentation across functions, regions, and delivery teams limits consistent, insight-led outcomes.

Future-ready HR operating models shift from siloed functional execution to integrated, end-to-end employee journeys. In practical terms, this means managing processes such as hiring, onboarding, learning, performance management, and workforce planning as connected workflows rather than independent HR functions. For example, workforce planning should directly inform hiring decisions, which in turn should connect to skills development and performance data, all supported by shared analytics and decision rights.

Organizations progressing further in AI adoption are aligning decision authority, data flows, and accountability across HR, IT, and business leaders. Rather than HR designing processes in isolation, cross-functional governance ensures that automation, analytics, and workforce decisions operate coherently across regions and business units.

Scaling AI therefore requires more than improving individual processes. It requires operating model alignment that enables repeatable, enterprise-wide execution.

HR leaders should prioritize redesigning HR around integrated employee journeys, clarifying who owns workforce decisions at each stage, and ensuring AI-enabled execution operates consistently across geographies. The objective is not localized optimization, but coordinated enterprise-scale delivery.

Real-time, insight-driven workforce decisions

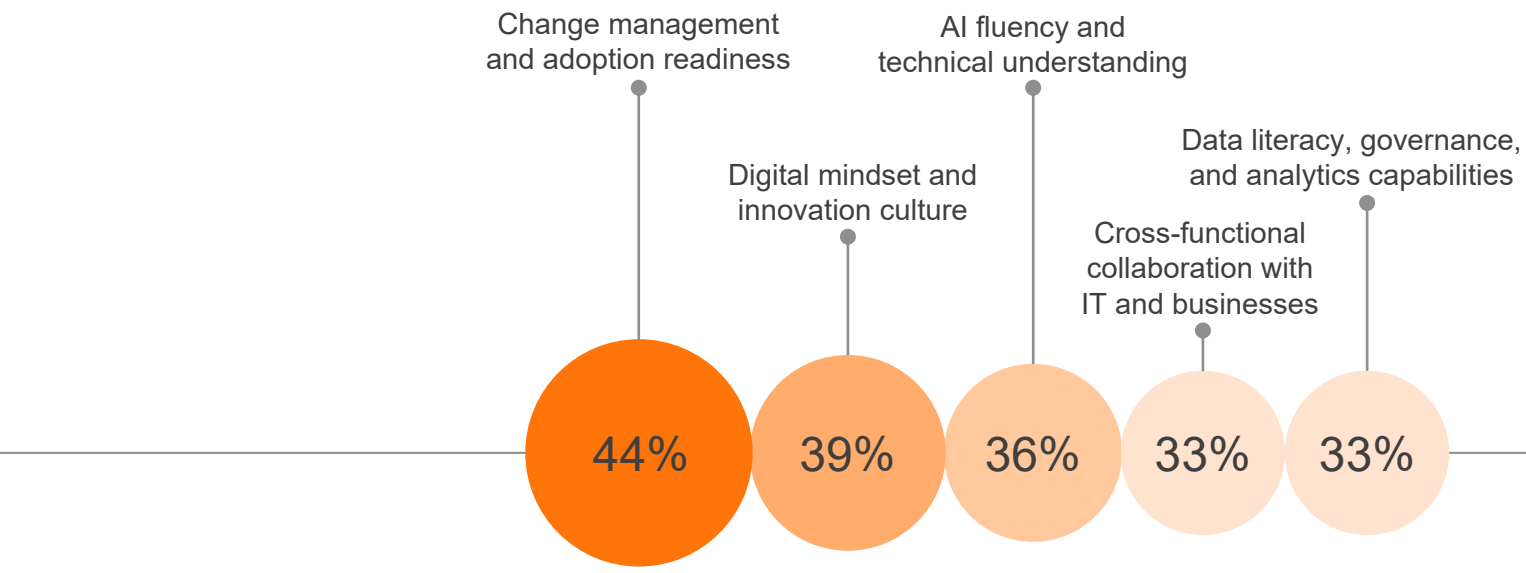
Access to workforce data is expanding rapidly, yet insight-led decision-making remains uneven. Survey findings indicate that most HR organizations operate with dashboards and descriptive reporting but lack the predictive and scenario-based insights required to influence enterprise priorities. As a result, HR often reacts to workforce changes rather than shaping them. Advanced HR operating models elevate analytics from reporting to decision enablement. Workforce insights are embedded into planning, productivity discussions, and transformation initiatives. This shift requires more than tools; it demands widespread data literacy, AI fluency, and confidence to apply insights within complex decision contexts.

Exhibit 8 highlights the key capability and skills gaps HR functions face when implementing next-generation capabilities.[2]

Exhibit 8: Key capability and skills gaps in HR

Source: Everest Group (2026)

[ILLUSTRATIVE]



What distinguishes advanced HR operating models:

- Workforce decisions guided by predictive and scenario-based insights
- Data and AI fluency embedded across HR roles, not concentrated in specialist teams
- HR positioned as a strategic decision partner shaping enterprise trade-offs

2 Respondents selected multiple gaps; therefore, totals exceed 100%

Embedded AI governance and trust

As AI becomes embedded in workforce decisions, trust and accountability become foundational requirements rather than compliance afterthoughts. Governance models designed for manual processes struggle to keep pace with AI-enabled workflows operating at scale and speed.

Future-ready HR operating models embed governance directly into process design. Fairness, transparency, and explainability become design principles, enabling organizations to scale AI adoption while maintaining employee trust and regulatory readiness. Clear ownership of AI governance within HR ensures innovation and responsibility evolve together.

What distinguishes advanced HR operating models:

- Governance embedded directly into HR workflows and decision logic
- Clear accountability for ethical AI use and workforce impact
- Balance between innovation velocity and enterprise-scale trust

The shift toward workforce orchestration, insight-driven decisions, and embedded trust raises the bar on what HR must deliver, and how quickly. For most enterprises, meeting these expectations will require moving beyond traditional operating models and rethinking how external partners contribute to value creation at scale.

About 45% of enterprises cite ethics, governance, and bias as key challenges in scaling AI within HR, with concern levels notably higher among European organizations.

The evolving role of a provider

AI adoption within HR has moved beyond experimentation, yet scale remains uneven across the value chain. Enterprises are applying AI most actively in recruitment, learning, helpdesks, workforce analytics, and engagement – domains where efficiency gains and decision support can be realized with limited structural disruption. In contrast, foundational areas such as skills intelligence, compensation decision-making, employee data management, and end-to-end HR service orchestration continue to lag. These gaps constrain enterprise-scale workforce integration and limit AI's systemic impact.

Exhibit 9 highlights the percentage of respondents that have invested in AI across HR processes.[3]

3 Respondents selected multiple processes; therefore, totals exceed 100%

Exhibit 9: AI investment across HR processes and geographies

Source: Everest Group (2026)

XY Indicates the highest investment level per HR process

HR process	Overall (n=105)	North America	Europe	UK	APAC	MEA
Recruitment and staffing	70%	68%	63%	65%	65%	52%
Payroll	31%	39%	25%	28%	28%	23%
Compensation and benefits	19%	24%	16%	28%	5%	13%
Performance	26%	24%	25%	28%	30%	13%
Learning and development	54%	59%	47%	56%	52%	38%
Skills intelligence	27%	28%	21%	25%	20%	3%
Workforce analytics	43%	49%	41%	33%	45%	38%
Employee engagement	42%	43%	34%	50%	60%	25%
Employee helpdesk or chatbots	52%	46%	56%	50%	58%	25%
Expense and time management	16%	5%	22%	17%	23%	13%
HR case management	28%	35%	22%	17%	32%	21%
HR consulting	16%	27%	16%	15%	10%	13%

Note: Exhibit 9 highlights the percentage of respondents that have invested in AI across HR processes (respondents selected multiple processes; totals exceed 100%).

As AI deepens across HR processes, execution complexity increases. Scaling AI requires integration across systems, functions, geographies, and workforce models – demands that increasingly expose internal capability limits. Survey findings indicate rising enterprise demand for provider involvement in workforce strategy advisory, AI enablement, analytics and insight generation, and large-scale change management.

More than half of enterprises expect providers to play a significant role in workforce strategy and digital execution, and over 90% anticipate increased provider support for AI, analytics, and automation initiatives. Exhibit 10 outlines the evolving expectations enterprises have from providers as AI adoption within HR accelerates and execution complexity increases.[4]

Exhibit 10: Enterprise expectations from providers

Source: Everest Group (2026)

[ILLUSTRATIVE]

Percentage represents share of respondents

The emerging partner mandate in an AI-ready HR ecosystem

Traditional HR outsourcing models were built for cost efficiency, stable service volumes, and SLA-driven delivery. These constructs remain effective for repeatable operations but are misaligned with AI-enabled HR transformation, where value depends on integration, adaptability, and shared accountability.

In an AI-first HR environment:

- Workforce decisions span multiple systems and stakeholders
- Analytics requires deep, real-time data integration
- Change adoption and governance determine whether AI delivers measurable value

Execution-only provider mandates are insufficient in this context. Without deliberate ecosystem design, AI initiatives risk fragmentation across tools and providers, limiting cumulative enterprise impact.

4 Respondents selected multiple expectations; totals exceed 100%

Over 90% of enterprises expect an increased level of support from providers to implement AI, analytics, and automation across HR processes.

From provider management to ecosystem orchestration

As partner roles expand, the CHRO's responsibility shifts from managing individual provider relationships to orchestrating a complex ecosystem of internal teams, providers, and technology partners. Without active orchestration, ecosystem expansion risks introducing new fragmentation rather than enabling scale. Effective HR ecosystem orchestration requires clarity across four dimensions:

- **Role clarity and complementarity**
  - Clear differentiation between execution, advisory, and orchestration roles
  - Defined ownership across internal teams, technology partners, and service providers
- **Integration and transparency**
  - Shared access to data, insights, and performance metrics
  - Technology integration that enables collaboration without fragmentation
- **Governance and cadence**
  - Outcome-aligned KPIs rather than service-level optimization alone
  - Structured operating cadence for review, escalation, and decision-making
- **Strategic co-creation of HR processes**
  - Joint design of workforce solutions rather than sequential handoffs
  - Co-investment in integration, analytics, and change enablement capabilities

Survey responses indicate that many enterprises expect their HR outsourcing and delivery models to evolve toward more centralized or hybrid structures as AI-driven HR delivery becomes more complex.

Implications for CHROs

As HR transformation accelerates, CHRO effectiveness will increasingly depend on the ability to design and orchestrate an ecosystem aligned to enterprise workforce priorities. This requires a shift from procurement-led provider management to leadership-led ecosystem governance. CHROs who succeed will:

- Set clear expectations for partner contributions beyond transactional execution
- Align ecosystem roles to the CORE HR operating model
- Establish governance mechanisms that enable speed without eroding trust
- Treat partners as enablers of scale and insight – not substitutes for enterprise ownership

Preparing for 2026 and beyond: the CHRO agenda in an AI-driven enterprise

AI is elevating workforce strategy to the center of enterprise competitiveness, productivity, and resilience. By compressing decision cycles and raising the stakes of how work is designed and governed, AI is making workforce design a strategic imperative rather than an operational concern. As a result, the CHRO agenda is expanding in both scope and enterprise impact.

The evidence is clear: HR's future influence will depend less on adopting individual technologies and more on achieving coherence across operating models, partner ecosystems, governance structures, and workforce strategy. Enterprises that align these elements are better positioned to translate transformation ambition into sustained workforce and business outcomes.

The priority areas shaping the CHRO agenda

Over the next two to three years, CHRO agendas are consolidating around a focused set of high-impact priorities, signaling a shift from broad transformation programs to outcome-driven execution.

- **Workforce outcomes over functional optimization:** HR performance is increasingly measured by workforce outcomes – productivity, agility, resilience – rather than process efficiency alone. This requires tighter alignment between skills, technology, and enterprise strategy
- **Scale over experimentation:** AI experimentation is widespread within HR. The differentiator is now the ability to scale adoption consistently and responsibly across the enterprise. This demands stronger data foundations, clearer decision rights, and operating models built for repeatability
- **Orchestration over accumulation:** As platforms and partners proliferate, value depends on orchestration rather than accumulation. HR operating models, ecosystems, and governance must evolve together to prevent fragmentation and enable enterprise-scale impact
- **Trust by design, not by exception:** As AI shapes workforce decisions, trust and accountability become design imperatives. Governance is emerging as a differentiator between HR functions that scale innovation effectively and those that stall

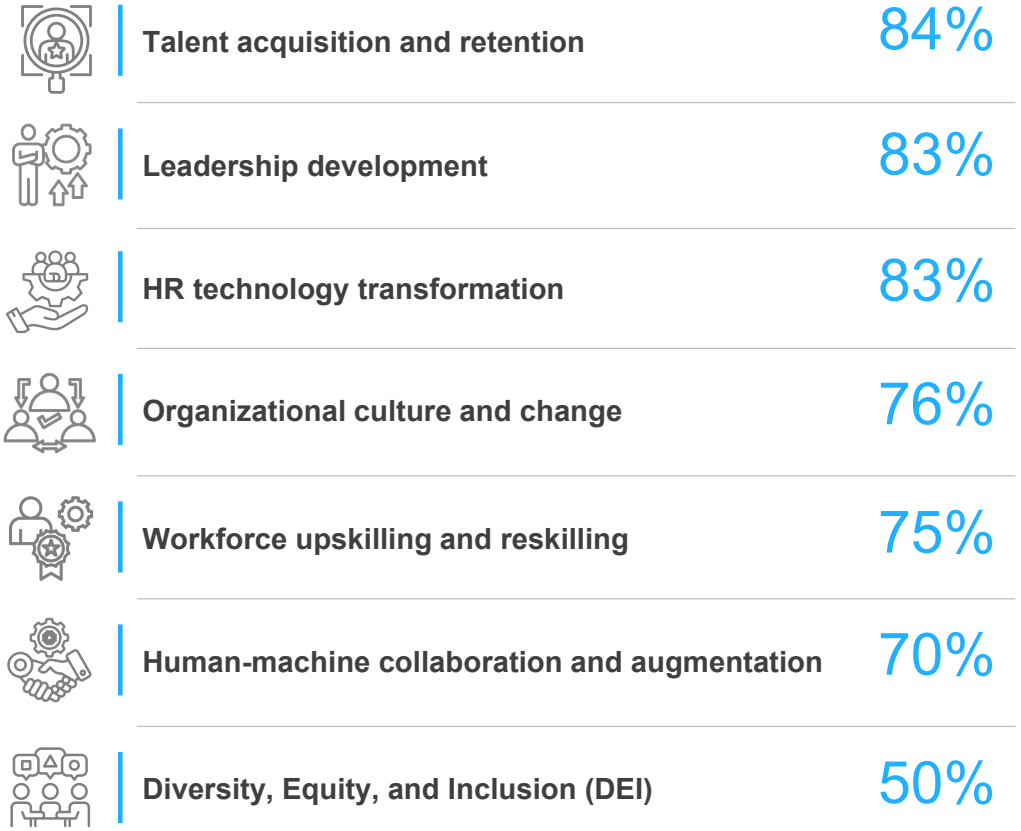
Exhibit 11 highlights future HR priorities.[5]

5 Respondents selected multiple priorities; therefore, totals exceed 100%

Exhibit 11: Future HR function priorities

Source: Everest Group (2026)

[ILLUSTRATIVE]



A pragmatic path forward

The survey suggests that ambition is not the constraint – coherence is. With more than 80% of enterprises expecting AI-augmented HR and strategic advisory capabilities within the next few years, progress will depend on disciplined sequencing rather than sweeping redesign.

Leading CHROs are prioritizing:

- Clarifying workforce ownership and decision rights
- Redesigning HR services around end-to-end employee journeys
- Elevating analytics from reporting to decision enablement
- Engaging partners as enablers of scale, insight, and change

Progress across these dimensions compounds over time. Small, well-aligned shifts deliver more sustainable impact than large, disconnected initiatives.

Exhibit 12 highlights how HR functions are expected to evolve over the next 12-18 months.[6]

6 Respondents selected multiple options; therefore, totals exceed 100%

Exhibit 12: Expected evolution of HR functions in the next 12-18 months

Source: Everest Group (2026)

[ILLUSTRATIVE]

HR operations will be increasingly automated and AI-augmented	81%
HR will operate as a strategic advisor to business leaders using data-driven insights	81%
New specialist HR roles (e.g., AI Trainer, People Data Translator, and Skills Architect) will emerge	78%
HR function will play a central role in driving enterprise productivity and transformation	73%
Skills-based workforce models will replace traditional job structures	71%
HR will merge / become closer with enterprise IT and innovation teams	41%

Conclusion

AI is elevating workforce strategy from an HR concern to a central enterprise capability. As AI reshapes how work is performed and how quickly roles evolve, decisions about talent, skills, productivity, and accountability carry greater enterprise consequence than ever before. This fundamentally reshapes the CHRO mandate.

Survey evidence shows that expectations of HR leadership are rising faster than structural readiness. AI adoption within HR is widespread, yet few organizations have embedded it in ways that transform workforce decision-making at scale. Standardization has improved efficiency, but it has not delivered the agility and strategic influence enterprises now require. The constraint is not ambition – it is coherence.

The window for incremental change is narrowing. As AI adoption accelerates across functions, HR can no longer afford fragmented execution or prolonged pilot phases. The next phase of HR leadership will depend less on deploying tools and more on exercising judgment, aligning workforce strategy, operating models, partner ecosystems, and decision rights into a coherent system.

HR effectiveness will increasingly be defined by how well workforce systems are designed, aligned, and governed. Organizations that move decisively to integrate AI-enabled execution into their operating models will strengthen productivity and resilience.

Appendix

Research methodology

This report is grounded in a global survey of 105 senior HR and transformation leaders, including CHROs / Chief People Officers (CPOs), Heads of HR, HR operations leaders, and enterprise innovation and transformation executives. Respondents represent organizations across a broad range of industries, geographies, and enterprise sizes, ensuring that the findings reflect diverse operating environments and workforce models.

The survey spans industries including Healthcare and Life Sciences (HLS), technology, Retail and Consumer Packaged Goods (RCPG), Banking, Financial Services, and Insurance (BFSI), manufacturing, telecom, logistics, energy and utilities, and professional services. Geographically, respondents are distributed across the Americas, Europe (including the UK), APAC, the Middle East and Africa, and Australia and New Zealand. Participating organizations range from mid-market enterprises (1,000-4,999 employees) to large global enterprises with more than 50,000 employees, with a significant share employing over 20,000 people. Importantly, all participating enterprises have implemented AI in one or more HR processes and demonstrate maturity beyond basic conversational chatbots. Respondents hold responsibility for HR strategy, workforce transformation, digital enablement, or the broader enterprise change agenda.

Exhibit 13: Survey respondent profile

Source: Everest Group (2026)

N = 105

Split of enterprise participation by **industries**

Healthcare and life sciences	13%	Logistics	9%
Retail and consumer packed goods	12%	Energy and utilities	8%
Technology	12%	Professional services	6%
BFSI	11%	Hospitality	4%
Telecom	10%	Travel	4%
Manufacturing	10%	Media	2%

Split of enterprise participants by **geography**	
Americas	35%
EUR (excluding the UK)	30%
The UK	17%
MEA	8%
APAC	6%
ANZ	4%

Split of enterprise participation by **roles**	
Head of HR / HR Director / VP, HR	43%
Chief Transformation Officer / Head of Enterprise Transformation / Chief Digital Officer	26%
Chief Human Resources Officer (CHRO) / Chief People Officer (CPO)	15%
Head of Talent, Learning	10%
Head of HR Operations / Shared Services / Transformation	7%

Split of enterprise participants by **buyer size** Number of employees	
More than 50,000	25%
20,000-49,999	23%
10,000-19,999	19%
5,000-9,999	18%
1,000-4,999	15%

Everest Group®
With you on the journey

Everest Group is a leading research firm helping business leaders make confident decisions. We guide clients through today's market challenges and strengthen their strategies by applying contextualized problem-solving to their unique situations. This drives maximized operational and financial performance and transformative experiences. Our deep expertise and tenacious research focused on technology, business processes, and engineering through the lenses of talent, sustainability, and sourcing delivers precise and action-oriented guidance. Find further details and in-depth content at www.everestgrp.com.

This study was funded, in part, by Cognizant

For more information about Everest Group, please contact:

+1-214-451-3000

info@everestgrp.com

For more information about this topic please contact the author(s):

Priyanka Mitra, Vice President
priyanka.mitra@everestgrp.com

Varun Madan, Senior Analyst
varun.madan@everestgrp.com

Notice and Disclaimers