

# The AI-Enabled HR Operating Model

FOR FUTURE-READY ORGANIZATIONS



## EXECUTIVE SUMMARY

# The AI-Enabled HR Operating Model for Future-Ready Organizations

*How AI is Reshaping HR's Work, Roles, and Architecture—and What Distinguishes Those in Future-Ready Organizations*

AI is rapidly transforming business expectations of HR, outpacing the evolution of many HR functions. Research by the Institute for Corporate Productivity (i4cp) shows that the organizations meeting these demands are not merely using AI to automate tasks or experiment with isolated use cases. They are taking a more strategic approach, redesigning HR tasks around AI-enabled workflows, shifting roles toward higher-value judgment work, and positioning HR to actively shape enterprise AI transformation rather than react to it.

The payoff is substantial: in future-ready organizations, HR is far more likely to deliver stronger strategic impact, better workforce insights, and more effective decision support. For Chief People Officers, the message is clear and urgent: this is not just a technology upgrade; it is a leadership challenge. The key question is whether HR will lead this change or risk losing influence as the business moves ahead without it.

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Through data, analysis, and real-world examples, this report expands on **four key findings** of our research:

1. Business expectations of HR are rising because of AI—and most HR functions are not yet ready to meet them
2. HR in future-ready organizations is more strategic, more impactful, and AI-enabled
3. AI is reshaping the work of HRBPs, Shared Services, and Centers of Excellence
4. HR's impact depends less on structure and more on its AI influence and capability



## INTRODUCTION

# The HR Operating Model Must Evolve

**Future readiness does not stem solely from adopting AI. It arises from building the organizational conditions that enable technology, people, and work design to evolve together.**

Moderna's HR operating model has transformed to become AI-enabled as the company scaled rapidly following its COVID-19 vaccine breakthrough.

Between 2020 and 2023, the company, which has extensive global operations beyond the U.S., including significant commercial and manufacturing presence across Europe and Asia, nearly doubled its workforce to 1,500, stretching the limits of a traditional HR model and accelerating the need for digitally delivered HR services (Gülen, 2025).

In response, Moderna merged HR and IT under a single executive, creating the role of Chief People and Digital Technology Officer to tightly integrate workforce strategy, digital platforms, and AI deployment. This structural shift has been heralded as the “operating system of the future enterprise,” enabling Moderna to transition from a traditional focus on placing the right people in the right roles to a design-first approach that evaluates what work needs to be done and how it should be distributed among humans, AI agents, and software systems (Rashidi, 2025).

Collectively, the HR world took notice of this transformation, which positioned HR as a scalable, analytics-enabled operating function designed to sustain Moderna's current and future enterprise strategies. Further, Moderna's example underscores a broader truth: future readiness does not stem solely from adopting AI. It arises from building the organizational conditions that enable technology, people, and work design to evolve together.

Moderna's example reflects a profound shift driven by the rapid advancement of AI and an increasingly unpredictable external environment: the HR operating model is evolving from a service delivery framework to a system for organizational adaptability. The traditional HR operating model was built for stability and efficiency, while the AI-enabled HR operating model is designed for continuous reinvention.

Its purpose has shifted from simply delivering HR services to helping the organization anticipate change, redeploy talent, operationalize AI, and continuously evolve workforce capabilities faster than disruptions occur. In future-ready organizations, HR becomes the architect of adaptability—integrating people, technology, culture, and work design into a system that continuously transforms how work gets done.

## The future-ready organization—and why HR sits at its center

A future-ready organization, as defined by i4cp, is built on three interconnected capabilities:

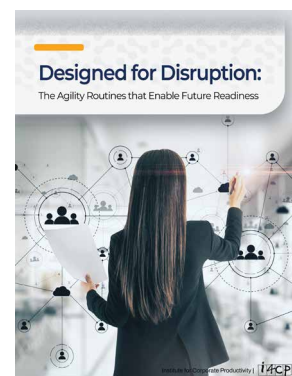
**Culture Readiness** – A culture and leadership system designed to continuously adapt behaviors, decisions, and ways of working as business needs evolve.

**Skills Readiness** – A workforce with the skills and capabilities needed to execute business strategy while preparing for emerging demands.

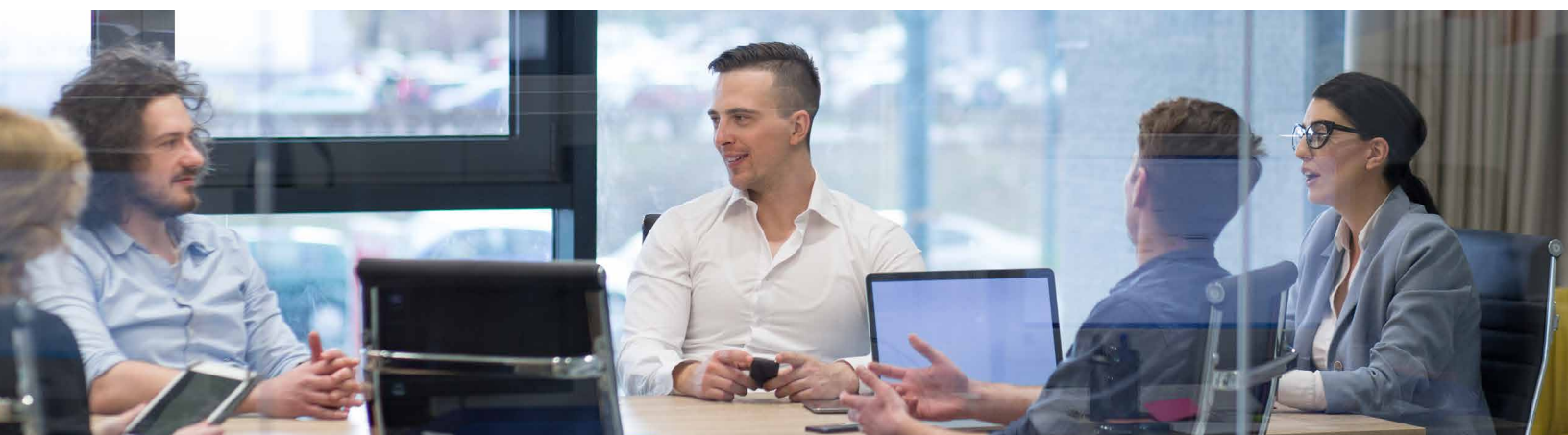
**AI Readiness** – A workplace enabled to responsibly leverage AI to improve decisions, accelerate execution, and deliver measurable business impact.

i4cp research has consistently found that organizations strong across all three dimensions are significantly more likely than their peers to achieve sustained high market performance. Future readiness is cultivated through repeatable routines rather than one-time transformations, enabling organizations to anticipate change, adapt, and act decisively. In ***Designed for Disruption: The Agility Routines that Enable Future Readiness***, i4cp found that organizational structure alone does not create agility. Rather, agility emerges from the people processes and routines embedded in how work gets done, enabling organizations to implement timely changes that yield performance advantages (i4cp, 2026a).

**The HR operating model is evolving from a service delivery framework to a system for organizational adaptability.**



For more, see i4cp's ***Designed for Disruption: The Agility Routines that Enable Future Readiness***.



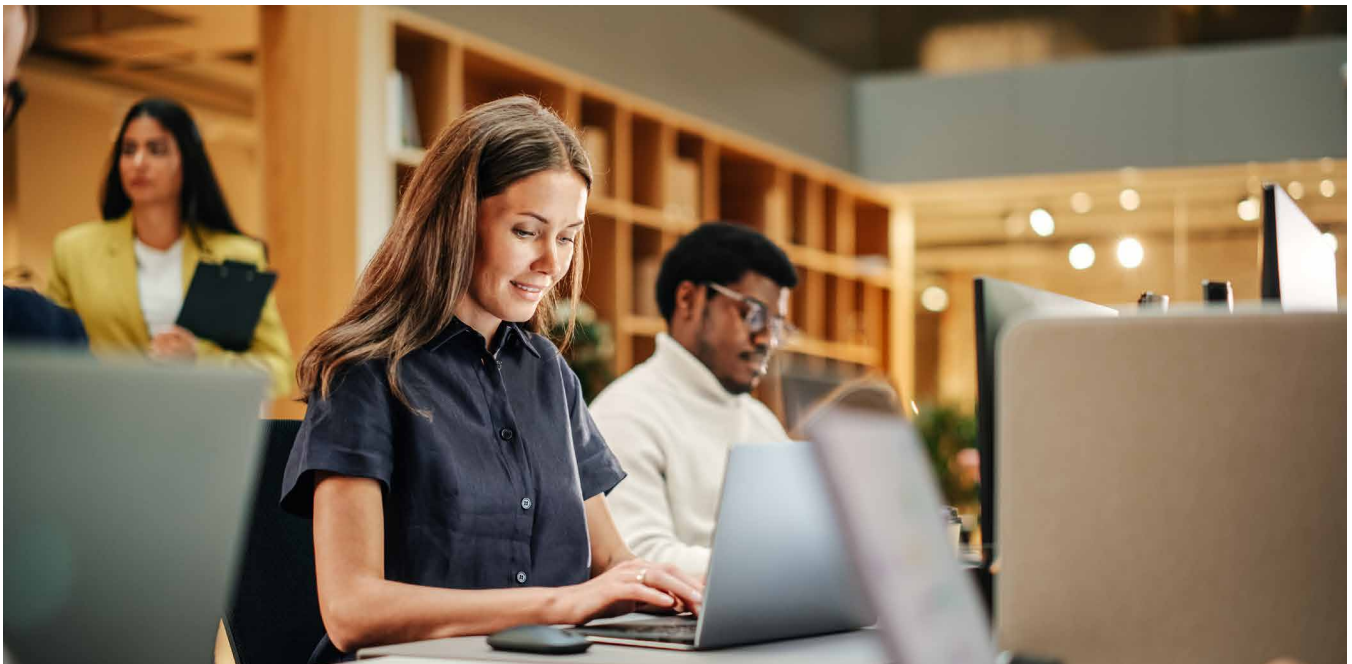
**HR functions in future-ready organizations are significantly more effective because they leverage AI to perform different work, operate with a different mandate, and achieve and enable different outcomes.**

This emphasizes the importance of the HR operating model in the age of AI. It institutionalizes the routines that support future readiness, including workforce planning, governance, experimentation, and talent redeployment, enabling organizations to adjust as business needs shift.

This study is based on a global survey of 1,338 participants and interviews and discussions with HR leaders from i4cp's executive boards and practitioner working groups. Our analysis focused on respondents from organizations with at least 1,000 employees; nearly two-thirds (64%) of these organizations operate globally or across multiple national markets.

This research examines HR through the lens of organizational future-readiness. Rather than comparing HR functions by industry or geography, we segmented respondents based on their organizations' self-rated maturity across three critical dimensions of future-readiness: AI readiness, skills readiness, and culture readiness. HR functions within organizations that rated highest across all three dimensions were classified as operating in future-ready organizations (n=79), while HR functions within organizations that rated lowest across these dimensions were classified as operating in least future-ready organizations (n=119). This approach enabled us to identify the HR practices, capabilities, and operating models most strongly associated with organizational future-readiness.

The differences between the two cohorts are stark. HR functions in future-ready organizations are significantly more effective because they leverage AI to perform different work, operate with a different mandate, and achieve and enable different outcomes.





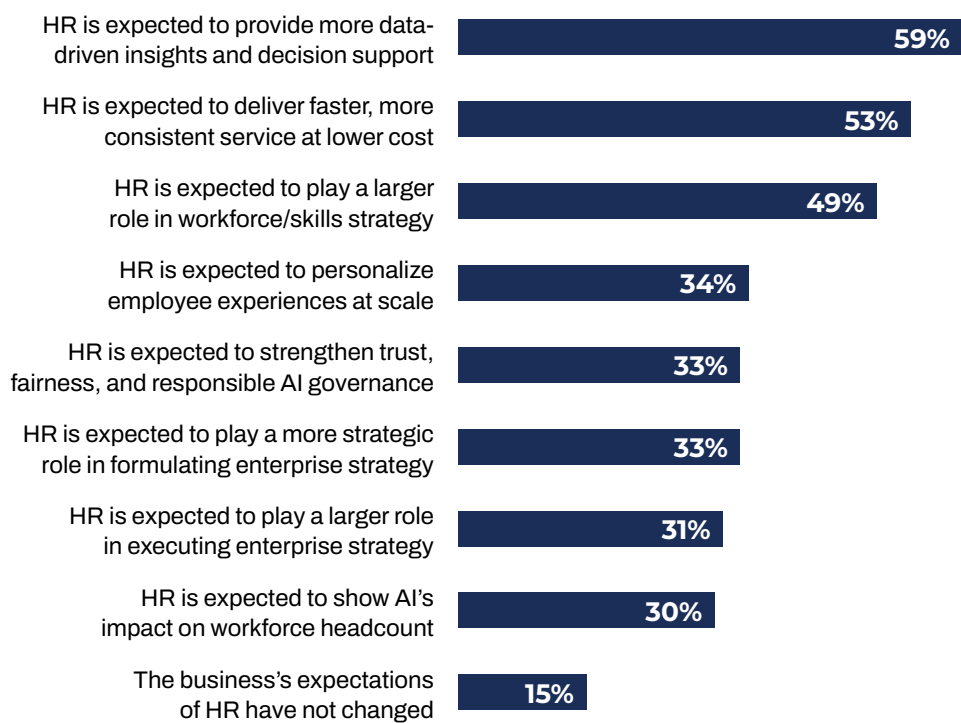
KEY FINDING 1

Business Expectations of HR are Rising Because of AI—and Most HR Functions are not yet Ready to Meet Them

The expectations of HR are escalating, largely due to AI. More than eight in ten (83%) of survey respondents from organizations with at least 1,000 employees indicated that AI is reshaping what the business expects from HR, including data-driven insights that inform workforce strategy (e.g., strategic workforce planning), decision support (e.g., predictive modeling to identify high-risk talent), and faster, cost-effective service. Business leaders are demanding that HR do more, do it faster, and base their actions on the strength of better data than most HR functions have historically been expected or prepared to provide.

83% of those surveyed indicated that AI is reshaping what the business expects from HR, including data-driven insights that inform workforce strategy.

Figure 1: Which of the following statements best reflects how AI is changing business expectations of HR in your organization? (Select all that apply)



Data represents those from organizations employing >1,000 people.  
Source: The AI -Enabled HR Operating Model for Future-Ready Organizations, 2026. Institute for Corporate Productivity (i4cp).

If HR's strategic impact continues to lag, the surging adoption of AI will likely **render unprepared HR teams irrelevant** within their organizations.

#### Market Performance Index™ (MPI) Definition:

i4cp defines high-performance organizations based on self-reported multi-year performance in revenue growth, profitability, market share, and customer satisfaction.

#### Next Practice Definition:

A *next practice* is defined by i4cp as one that analysis shows strong positive correlation to bottom-line business impact but is not yet widely adopted.

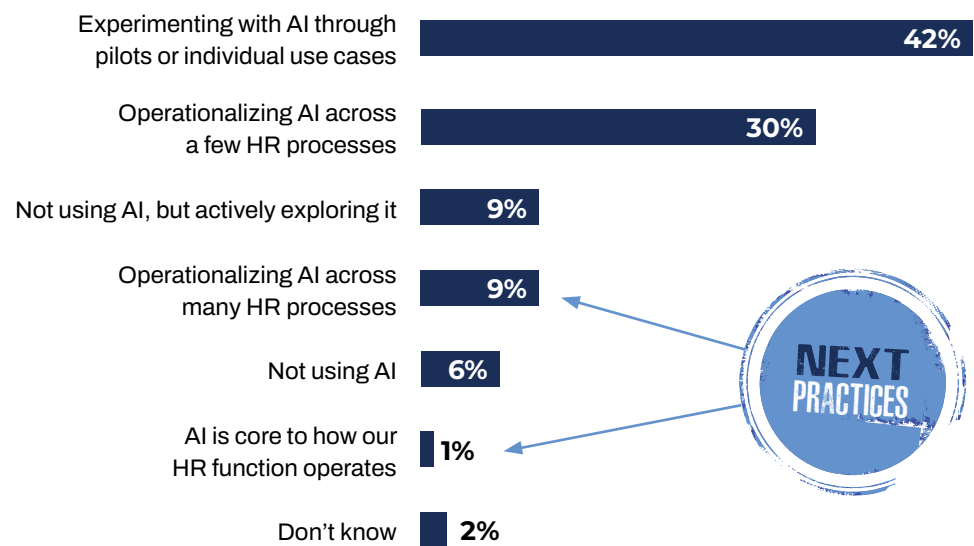
The onus is on the HR function to operate at a much more strategic level, leveraging technology that best facilitates this goal. Yet, despite these heightened expectations, nearly half (46%) of the participants reported that AI has not changed HR's strategic impact on the business. In fact, only a small percentage (3%) indicated that AI has significantly enhanced HR's strategic impact in their organizations.

The risk is obvious. If HR's strategic impact continues to lag, the surging adoption of AI will likely render unprepared HR teams irrelevant within their organizations.

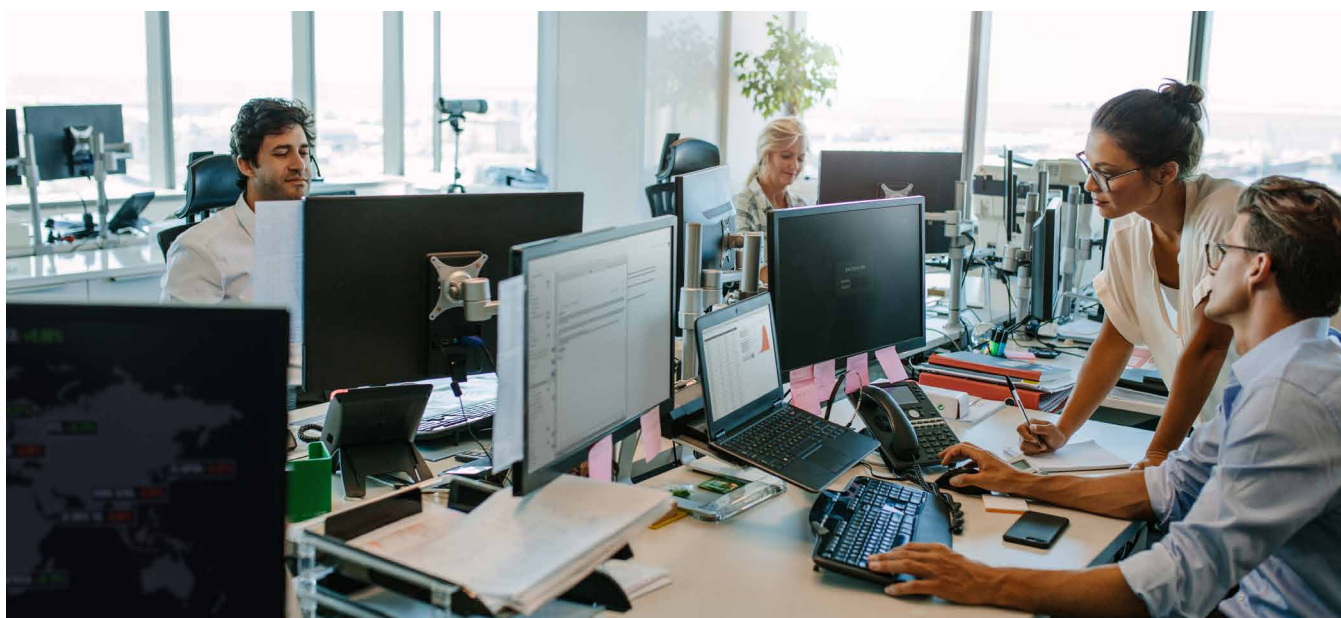
AI is rapidly creating additional expectations of HR, yet over half (57%) of the respondents reported that their HR functions have not progressed beyond individual AI use cases.

About one-third said that their HR functions are operationalizing AI across a few processes, but only 9% reported scaling AI across many HR processes, and only 1% indicated that AI is core to their operations. Both of these metrics are strongly correlated with higher market performance. Effectively scaling AI across functional and enterprise workflows along with integrating it into operational planning, is strongly correlated with market performance and is clearly the direction in which companies are maturing toward, making these **Next Practices**.

Figure 2: Which of the following best describes the current stage of AI adoption in your organization's HR function?



Data represents those from organizations employing >1,000 people.  
Source: *The AI-Enabled HR Operating Model for Future-Ready Organizations*, 2026. Institute for Corporate Productivity (i4cp).

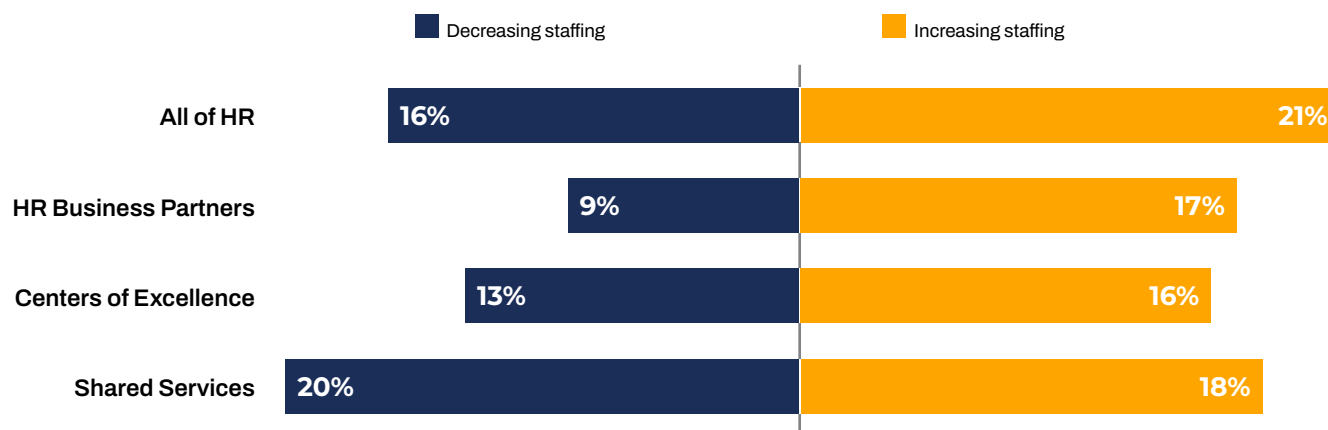


## The impact of AI on HR headcount

HR teams are being asked to do more, often without additional headcount. Despite the hype that AI will replace large segments of HR (Mukherjee, 2025), more than half (57%) of those surveyed have not changed HR's headcount in the past 12 months, with shared services being the only role where more participants said they reduced staff over the past 12 months than those who said they increased.

**57%** of those surveyed have **not changed HR's headcount** in the past 12 months.

Figure 3: Percentage of participants who say they are increasing vs. decreasing staffing



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Source: *The AI -Enabled HR Operating Model for Future-Ready Organizations*, 2026. Institute for Corporate Productivity (i4cp).



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## Get additional insights, including:

- What defines a future-ready, AI-enabled HR organization
- How HR roles are being redesigned for higher-value work
- How to position HR as a leader in enterprise AI transformation



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