



Workforce Readiness in the Era of AI

EXECUTIVE BRIEF



INTRODUCTION

Workforce Readiness in the Era of AI

In 2023, the Institute for Corporate Productivity (i4cp) asked a crucial question: *Is HR already behind in the AI revolution?* The answer was a resounding **yes**—only 22% of those we surveyed at the time said their HR teams used some form of generative AI (i4cp, 2024g).

Now, in 2025, our latest report based on a global survey of 930 participants (mostly HR leaders) reveals significant progress: generative AI (GenAI) adoption in HR has nearly doubled to 41%. But despite the increase in adoption, there are growing gaps in AI readiness.

The gaps are twofold:

- employees who are building skills to leverage these new tools and those who are not, and
- organizations that are integrating GenAI into their workflows to save time and improve effectiveness and those who have not done the same.

GenAI
adoption in
HR has nearly
doubled, from
22% in 2023
to **41% in**
2024.



For more, see i4cp's [The Future-Ready Culture](#).

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.

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.

Previous i4cp research has documented that most organizations are poor at workforce planning. GenAI will only compound this problem as the rapid acceleration of this technology decreases the shelf-life of workforce skills (i4cp, 2021).

As AI advances, it will increasingly change how work is performed, presenting a challenge to organizations as they plan for and build the capabilities their businesses need for the future.

Our latest study shows that AI power users know this, and they're worried.

AI certainly isn't the only force reshaping how organizations manage human capital. Along with political, economic, and demographic dynamics, it adds complexity to an era of continual change. Employees want leaders who understand these changes and have plans to adapt the company and workforce so that no one willing to support this transition is left behind.

The rapid pace of change requires that companies become masters of workforce planning in order to be high-performance organizations. It will also necessitate more attention to organizational culture. i4cp research has outlined the traits of a **future-ready culture**—core principles that provide leaders and employees with a framework to navigate disruption (i4cp, 2024b).

The good news is that many HR teams are well-poised to lead the changes necessary to renovate workforces and organizational culture. Our new study, **Workforce Readiness in the Era of AI**, provides examples of best practices that correlate to high market performance and **next practices** to help human capital leaders construct this future and foster workforces that thrive in the era of AI, including: **BNSF, Land O'Lakes, ServiceNow, Zillow, and Zurich – just to name a few.**

Specifically, this report lays out why a workforce that is prepared to leverage AI is correlated to market performance. It also highlights HR's role in strategically building employees' AI readiness. Additionally, we examine how organizations that are scaling AI are upskilling their workforces to realize gains in productivity, what's at stake if they do not, and why we all need to think beyond AI to create a future-ready workforce.



Readiness Defined

AI Readiness

A workforce that can safely and effectively leverage AI to create a return on the organization's investment.

Future-Ready

A workforce that has the skills—including AI skills—necessary to deliver on business objectives in the next three-to-five years AND embraces change.

2x

impact on market performance

Source: *Workforce Readiness in the Era of AI*, 2025. Institute for Corporate Productivity (i4cp).

These insights include the following key findings and subsequent recommendations that can help organizations navigate an unpredictable future:

Key Findings

1. Market leaders operationalize and scale AI with strategic support from HR.
2. Using is believing: Individuals who are the most prolific users of GenAI estimate that more training could boost their performance.
3. Employees at organizations that are scaling AI are the most fearful of being replaced by it.
4. A future-ready workforce is more important to improved market performance than AI readiness.

The rapid pace of change **requires** that companies **become masters of workforce planning** in order to be high-performance organizations.



KEY FINDING 1

Market leaders operationalize and scale AI with strategic support from HR

i4cp's AI maturity model shows **most companies remain in the experimental phase**, piloting and testing GenAI before large-scale implementation.

As GenAI reshapes industries, market leaders are quickly operationalizing and scaling AI across their organizations. For example:

- Moderna gave all employees access to OpenAI's GPTs; as a result, they've created over 400 custom chatbots tailored to various tasks to improve productivity (i4cp, 2024e).
- McCormick & Company uses "Herbie," an AI-powered chatbot, to streamline HR functions, reducing tier-one HR inquiries by 16% (i4cp, 2024c).
- Unilever incorporated AI in recruitment, reducing recruiter screening time by 75% (i4cp, 2024f).

These firms are part of a forward-thinking group demonstrating AI's potential to transform operations and yield clear returns. However, i4cp's AI maturity model shows most companies remain in the experimental phase, piloting and testing GenAI to assess its benefits and mitigate potential risks before large-scale implementation.

Phases of AI adoption: Moving beyond education to operationalization

Most of those we surveyed (79%) reported that their organizations' workforces are unprepared to use GenAI. However, i4cp's research finds that as organizations increasingly adopt it, they are more likely to train their employees (and more of them) to use it, increasing the workforce's ability to leverage AI effectively for a return on investment.

A progression from our 2023 research, [i4cp's AI Maturity Model](#) outlines five stages of GenAI adoption that organizations generally fall into*:

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i4cp's GenAI Maturity Model

5 STAGES OF GENAI MATURITY	Ignoring GenAI	8%	Leaders have yet to articulate a comprehensive GenAI strategy. The top obstacles to adoption are a lack of organizational knowledge about it, followed by a lack of strategy and senior leaders' concerns about associated risks.
	Prohibiting GenAI	5%	Policies restrict GenAI use. The top obstacles to adoption are IT's concerns about risks, followed by the legal department's concerns about risks.
	Researching GenAI	29%	Researching and exploring potential applications. Most lack a clearly communicated GenAI strategy and are statistically unlikely to provide any AI-related training to their workforces—yet.
	Experimenting with GenAI	41%	Actively testing GenAI tools to refine their uses. About half have articulated a comprehensive AI strategy. Likely to provide some training to select employees, particularly those piloting it.
	Operationalizing GenAI	11%	Actively scaling AI applications across departments or the enterprise, often restructuring processes to embed AI into workflows. Almost all have articulated a comprehensive AI strategy to their workforces and offer AI-related training to most or all employees.

*6% could not be categorized. Data represents those from organizations employing >1,000 people.
Source: *Workforce Readiness in the Era of AI*, 2025. Institute for Corporate Productivity (i4cp).

The performance divide: AI as a differentiator for high-performance organizations

Organizations are making progress. While the percentage of organizations prohibiting the use of AI at work has remained essentially flat, the proportion of companies that are ignoring AI decreased by 62% from 2023 to 2024. i4cp's data shows that more than half (69%) of participants at these organizations believe their companies are dinosaurs, far behind the rest of their industry regarding GenAI implementation. They tend to be smaller organizations with fewer than 1,000 employees; the largest proportions are in healthcare (17%), manufacturing (12%), or financial services and banking (9%) industries. They are also statistically likely to report having poor market performance.

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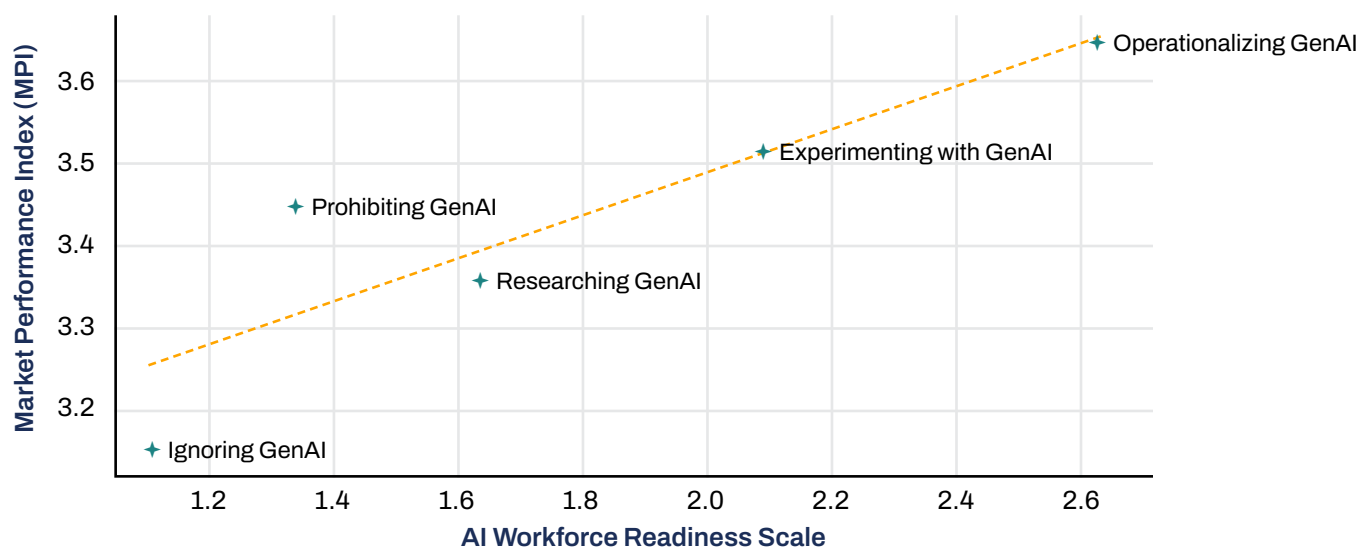
Organizations further along the AI maturity spectrum report **stronger overall market performance.**

Companies that are operationalizing AI are more likely to have high market performance and more AI-ready workforces. The chart below illustrates this correlation, showing that organizations further along the AI maturity spectrum report stronger overall market performance and are more likely to have workforces equipped to leverage AI.

Organizations researching the use of AI are the exception when it comes to market performance. More than any other group, survey respondents at these companies said that lack of strategy articulated by senior leaders (30%) and/or senior leaders' concerns about the risks associated with GenAI (26%) are among the top three biggest impediments to their workforce's preparedness to leverage AI.

Statistical analysis shows that their executive leaders are unlikely to use GenAI or encourage others to do so. Lack of leadership in AI may not be the sole cause of their mediocre market performance, but it's certainly correlated with it.

Average market performance and AI workforce readiness of organizations based on their AI adoption

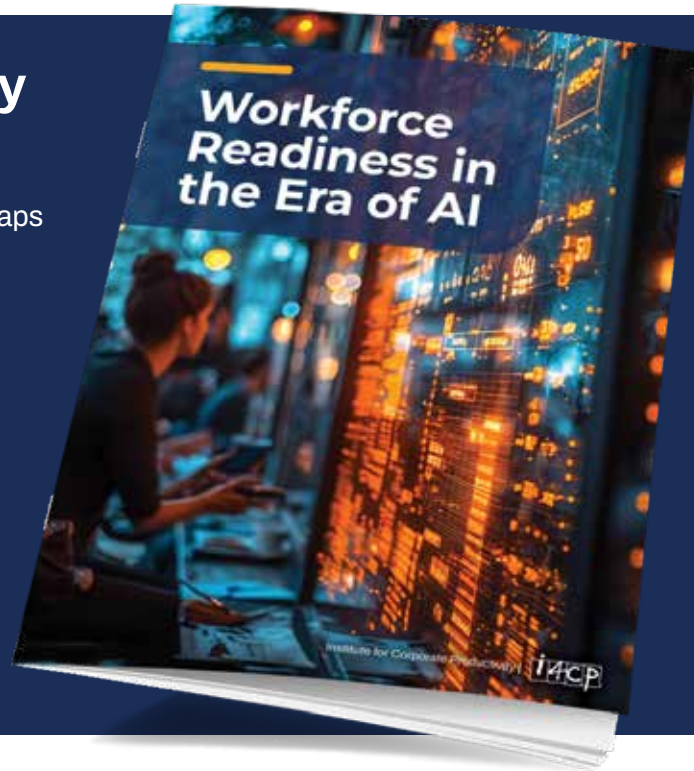


Source: *Workforce Readiness in the Era of AI*, 2025. Institute for Corporate Productivity (i4cp).

Workforce Readiness in the Era of AI

Full report available exclusively to i4cp members, featuring:

- In-depth analysis of GenAI adoption trends and readiness gaps
- Real-world success stories and best practices from high-performance organizations
- Strategic insights to help HR drive AI readiness and workforce transformation
- Recommendations to future-proof your workforce and organizational culture
- Explore how leading organizations are mastering workforce planning, scaling AI, and creating future-ready workforces



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