



How HR leaders can translate AI's promise into results



Introduction

AI is both the problem and the solution. AI technology is moving faster than almost any other technology in history and is a significant component of the disruption that defines today's world. The expectations to use AI to help address the disruption it itself is causing, through productivity gains, cost savings, and personalized experience, are sky-high. However, as with many new technologies, organizations have been quick to implement AI tools but often lag in cultivating the behaviors and skills required to fully harness their potential. Yet, with the pressure to drive business growth and a fear of being outpaced by competitors, executives are ready to move beyond AI's potential toward practical application and measurable outcomes.

In this eBook, you'll delve into five key building blocks for helping HR leaders translate AI's promise into results:

1



The non-negotiables

Governance, compliance, and responsible AI adoption are what HR must get right from day one

2



The skills

Critical AI capabilities that all HR professionals need

3



The vision

AI-first HR creates efficiencies but also re-thinks processes at the design level

4



The tech

Understanding AI-powered HR tech experiences and choosing the right partners

5



The mindset

Leading AI adoption as a people-first transformation



1. The non-negotiables

Governance,
compliance,
and responsible
AI adoption

AI in HR isn't just about compliance. It's about leadership, ethics, and accountability. While regulations provide a baseline, HR must go further, leading the charge on responsible AI governance to ensure it's fair, transparent, and aligned with business values. The organizations that get this right will not only avoid legal and reputational risks but also build employee trust and create an ethical AI culture.

Leading the AI governance vision

HR has a unique opportunity to shape AI's role in the workplace, going beyond regulatory compliance to ensure AI is used ethically, transparently, and strategically. This means not just responding to laws but setting a proactive vision for how AI should support and enhance the workforce.

- **Develop an AI ethics charter**
Establish principles that guide AI use in HR, covering fairness, bias mitigation, and employee rights
- **Embed AI ethics into culture**
AI adoption should align with organizational values, ensuring that HR decisions — hiring, promotions, learning recommendations, etc. — are explainable and fair
- **Make HR an AI governance leader**
AI directly impacts employees. HR should lead the conversation around responsible AI adoption

The role of HR in an AI governance committee

HR cannot manage AI governance alone. AI's impact on the workforce requires a cross-functional team to provide oversight, monitor risks, and ensure ongoing accountability.

- **Create an AI governance team**
Include HR, legal/compliance, data governance specialists, IT, and employee representatives
- **Define key responsibilities**
Address compliance and legal oversight, data governance, performance and value measurement, transparency and employee communication, and vendor management
- **Implement continuous monitoring**
As AI models evolve, establish a quarterly review cycle to assess impact, fairness, and risks

Strengthening legal and compliance interaction

While governance goes beyond compliance, regulatory alignment remains essential. HR must stay ahead of evolving AI laws to ensure responsible, defensible AI use.

- **Understand key AI regulations**
Ensure AI use aligns with evolving global AI governance laws
- **Monitor AI for bias and discrimination**
Regular audits should test for unintended bias in hiring, promotion, and workforce planning tools
- **Integrate AI compliance into training**
You have to weave AI policies into HR and leadership education, ensuring teams know how AI is used in decision-making

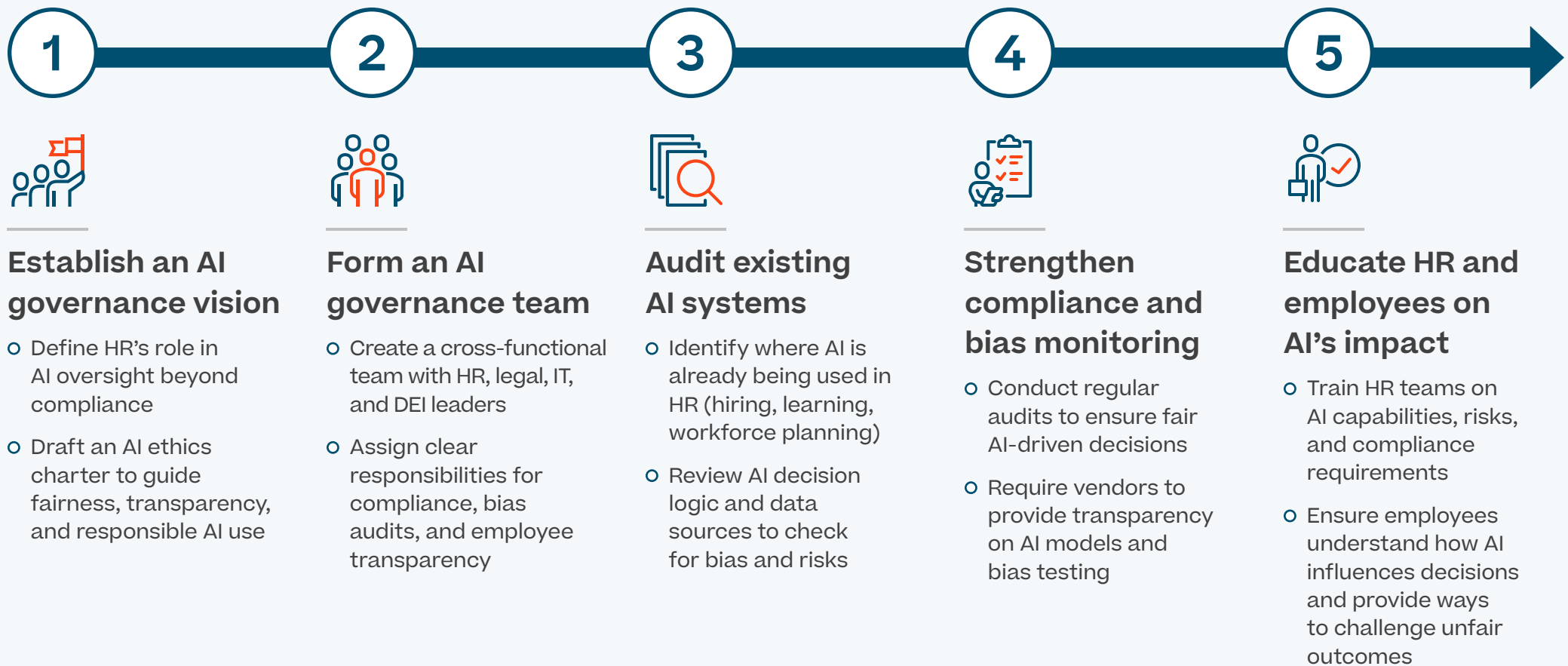
HR's role in AI data governance

AI is only as good as the data it learns from — flawed, biased data leads to flawed, biased AI. HR must play an active role in ensuring high-quality, ethical data use.

- **Standardize HR data for AI models**
Ensure data is clean, updated, and free from historical bias
- **Protect employee privacy**
Partner with IT to implement secure AI data policies that comply with regulations



How to get started





2. The skills

The critical AI capabilities all HR professionals need

As conversational GenAI tools became mainstream following the rise of OpenAI's ChatGPT, many organizations quickly identified “prompt engineering” as a foundational skill needed to craft the right input to generate the desired response. While prompt engineering was and is a relevant skill, it is more critical for people to understand the use cases where they can effectively apply AI.

This can be defined as a combination of two critical skills:

- **AI use case identification**
“Where to leverage AI” — the ability to pinpoint opportunities for AI to have high impact
- **AI value engineering**
“How to get there” — aligning AI with business priorities, refining it based on real-world use, and ensuring it drives not just efficiency but better decisions, innovation, and long-term workforce value

Defining AI use case identification and AI value engineering

	AI use case identification	AI value engineering
Goal	Pinpoint where AI can drive the most impact in HR.	Ensure AI delivers sustained business value beyond just cost savings.
Focus	Identifying high-impact AI opportunities that align with business needs.	Optimizing AI to improve efficiency, decision-making, and long-term workforce value.
Scope	Strategic selection of AI use cases —prioritizing where AI makes sense.	Ongoing refinement and measurement to ensure AI is creating on-going value
Key Question	“Where should we apply AI for the greatest benefit?”	“How do we ensure AI continuously delivers measurable, meaningful outcomes?”
Example	Implementing AI chatbots to automate HR service requests.	Tracking chatbot accuracy, employee satisfaction, and HR workload reduction — then refining AI responses to improve impact.

AI use case identification and AI value engineering are both critical skills for HR professionals. Use case identification helps organizations strategically pinpoint where AI can deliver the most impact by aligning it with business needs and feasibility.

AI value engineering ensures that once AI is implemented, it delivers measurable business value, undergoes continuous optimization, and contributes to long-term return on investment (ROI) and return on value (ROV). Together, these approaches prevent wasted investments in AI that lack strategic alignment while maximizing the efficiency, effectiveness, and sustained impact of AI-driven transformations.

AI use case identification and AI value engineering in HR become even more critical as you expand beyond conversational GenAI tools. This includes everything from automating routine tasks, personalizing employee experiences at scale, and leveraging AI for workforce planning and skills management.

How do I develop or apply these skills?

For individuals

Conduct an AI opportunity audit in your role

- List out five repetitive, time-consuming tasks in your daily work
- Research if AI solutions exist for these tasks (e.g., AI-driven content generation, automated data analysis, AI chatbots)
- Apply a simple model like “Problem → AI Application → Expected Outcome”
- Example: Employee burnout from too many HR inquiries → AI chatbot for common HR FAQs → Faster response times, reduced HR workload
- Present one AI use case to your manager and team to discuss its feasibility

Shadow AI-powered teams in your organization

- Reach out to AI or data teams internally and request a 30-minute meeting to learn how they identify AI opportunities
- Ask them about AI projects that worked and those that failed
- Document three lessons learned and apply them to your own AI use case thinking

Set up an AI performance feedback loop

- If you use an AI tool (e.g., AI-powered analytics, chatbots, skill inference tools), track errors, frustrations, or inefficiencies
- Keep a simple log of when AI does not work as expected
- Share this with IT or business leaders and propose a quarterly AI improvement review



For leaders

Create an AI use case hackathon (or prompt-a-thon)

- Make AI brainstorming accessible to all — unlike IT-driven hackathons, this focuses on HR and business process transformation, not coding
- Prompt brainstorming can be incredibly helpful to new adopters. But go beyond prompts—explore AI use cases in workflow automation, decision-making, and personalized employee experiences
- Use a structured framework to answer questions like, “What’s the challenge?” “How is it solved today?” “How could AI improve it?” “What’s the expected impact?”
- Drive AI literacy and engagement by helping employees connect AI to their roles, making adoption more inclusive and practical

Track the impact of an AI tool you already use

- Identify one AI-powered tool your team is already using (e.g., an AI chatbot, resume screening tool, learning platform)
- Set up a simple before-and-after comparison that asks questions like, “How much time did it save?” “Did it improve decision-making?” “Did it reduce errors?”
- Document your findings and share them with your team

Develop a value dashboard for AI in business reviews

- Work with a data or IT team to create a basic dashboard tracking AI performance (e.g., time saved, error reduction, employee satisfaction)
- If no dashboard exists, manually collect feedback from your team on how an AI tool is working for them
- Use concrete data to ensure AI remains a strategic, value-driven initiative rather than just a tech experiment





3. The vision

AI-first HR designs for transformation as well as efficiency

AI-first HR refers to an HR strategy or operating model where artificial intelligence is embedded at the core of how HR functions, makes decisions, and delivers value to the business. Instead of treating AI as a bolt-on tool or one-off experiment, AI-first HR means reimagining HR processes, technologies, and decision-making with AI capabilities built in from the start.

AI's real potential in HR isn't about simply improving existing work—it's about rethinking HR processes entirely. Many current HR workflows were designed in an era of slower decision-making, manual interventions, and rigid structures. If we want to fully leverage AI, we need to stop asking, "How can AI make this process slightly better?" and instead ask, "If we were designing this today, from the ground up, how would it work with AI at its core?"

Not all HR processes need a complete overhaul. The key is to prioritize processes where AI can create the most transformative value — where it can go beyond automation and enable better employee experiences and new ways of working. By focusing on targeted applications rather than deploying generic AI tools, HR can measure real impact — whether that's enhanced talent mobility, adaptive career pathing, or dynamic workforce planning. Broad, one-size-fits-all AI applications may create minor efficiencies, but it's in specific, high-impact use cases that AI delivers exponential value.

Examples of AI-first design

Learning and development

AI in L&D can go beyond “simply” recommending learning based on skills — it can dynamically shape the experience itself through adaptive simulations, AI-powered chatbots, and extended reality (XR). For example, AI-driven immersive simulations allow employees to practice complex skills in real-world scenarios, adapting in real time to their strengths and weaknesses.

Internal mobility and career pathing

Traditional internal mobility often relies on manual manager decisions, leading to bias and missed opportunities. AI can adaptively map career pathways, surfacing real-time, skill-based opportunities tailored to employees. For example, AI-driven career roadmaps continuously update based on projects, learning, and experience, rather than relying on static job descriptions.

Workforce planning and skills intelligence

AI transforms workforce planning from static to dynamic, providing real-time insights into skills gaps and labor market trends. For example, AI can forecast emerging skills demand and recommend proactive upskilling programs, enabling HR to stay ahead of business needs rather than just reacting to them.

Bottom line – Optimize and redesign

To fully translate AI's promise into results, HR professionals need to optimize existing processes and rethink workflows from the ground up. AI can certainly improve efficiency by automating repetitive tasks and making current processes faster, but its true power lies in enabling entirely new ways of working.

The key is to be deliberate and strategic, Optimizing where AI can create immediate gains while also challenging outdated processes that were never designed with AI in mind. The organizations that embrace both approaches will drive short-term efficiencies and position themselves for long-term innovation and competitive advantage.

In the end, the future of HR is about making yesterday's processes faster and designing tomorrow's HR from the ground up with AI at its core.



4. The tech

Experiences unlocked by AI

AI is revolutionizing HR technology, but not all AI-driven experiences are the same. From assisting existing workflows to reimagining HR interactions entirely, here's a breakdown of the four major AI-powered experiences shaping the future of work.



AI is set to reimagine the employee experience, from adaptive learning and deeply personalized coaching to in-the-flow work guidance and conversational HR platforms. AI will offer opportunities to unlock substantial productivity in designing and administering these systems.”

— **Karthik Suri**,
Cornerstone's Chief Product Officer

AI-assisted experiences — Enhancing existing workflows



What it is: AI assists current HR processes, making them faster, easier, and more efficient

Examples

- **Content generation**
Automatically generate job descriptions, course content, or performance reviews
- **AI-powered recommendations**
Suggest learning content, certifications, internal job opportunities, or career paths based on employee data
- **Automated reporting and insights**
AI summarizes engagement survey results, workforce trends, and compliance reports

Considerations

- These tools speed up HR tasks but don't fundamentally change workflows
- Human oversight is needed to refine AI-generated content

Benefit

- **Efficiency gains**
HR teams and employees spend less time on manual work and more on strategic initiatives.



AI-connected experiences — Seamless HR in the flow of work



What it is: AI agents connect HR tech with the broader IT ecosystem, integrating HR guidance into everyday tools employees already use.

Examples

- **HR Tasks in productivity tools like Microsoft Copilot and Slack**
Employees can ask an AI assistant within their work apps: “What skills do I need to get promoted?” or “What learning courses are available for AI?”
- **AI-driven workflow automation**
AI coordinates between HR, IT, and finance systems to automate onboarding steps, from equipment requests to training assignments
- **Internal AI chatbots**
AI integrates across systems to provide policy guidance, benefits info, or IT support in a single interface

Considerations

- Requires strong integrations between HR tech and enterprise IT systems
- AI decisions must be transparent and explainable to build user trust

Benefit

- **Frictionless employee experiences**
HR becomes accessible anywhere, without employees needing to navigate multiple systems

What is agentic AI

Think of AI agents as smart personal assistants that don't just answer questions — they take action on your behalf. For example, instead of simply telling an employee their PTO balance, it can then file the request, get manager approval, and update calendars automatically. It connects HR systems with other workplace tools, making processes seamless and eliminating the need for employees to jump between different apps.

AI-immersive experiences: Training and development like never before



What it is: AI combines spatial technology, simulations, and GenAI to create adaptive, hands-on learning experiences

Examples

- **AI-powered simulations**
Employees role-play difficult conversations, crisis scenarios, or leadership training with AI-generated avatars that adapt based on responses
- **Virtual reality (VR) onboarding**
New hires enter a fully immersive environment where they can explore company culture and workflows interactively
- **Augmented reality (AR) job training**
AI provides real-time guidance in AR glasses while employees complete tasks on the job

Considerations

- Requires hardware investments (VR headsets, AR-compatible devices) to reflect fully immersive experiences

Benefit

- **Higher engagement and retention**
employees learn by doing, leading to stronger skill development and recall



AI-native experiences: The future of HR without traditional UI



What it is: AI removes traditional interfaces entirely, replacing forms, dashboards, and menus with conversational AI and intelligent automation

Examples

- **Conversational interfaces**
Instead of navigating an HR portal, an employee asks AI: “Find me a mentor in leadership development” or “Show me possible career paths and relevant development plans”
- **Fully automated HR workflows**
AI dynamically completes forms, submits approvals, and recommends actions without requiring manual input

Considerations

- Requires trust and adoption to make users feel confident in AI's accuracy
- AI must be bias-free and well-trained to avoid incorrect recommendations

Benefit

- **Radically simplified employee interactions**
HR becomes invisible, working behind the scenes to anticipate and resolve needs before employees even ask

What's the difference between agentic and native AI experiences?

Both AI agents and AI-native experiences enhance HR technology, but they operate differently. AI agents work across multiple platforms, automating tasks and integrating data, while AI-native systems are deeply embedded into a single platform, optimizing experiences within that ecosystem.

The tech: Choosing the right partners

In addition to implementing a variety of AI experiences, you need to understand how to evaluate the vendors providing those experiences. Not all AI vendors are created equal. Many solutions claim to be “AI-powered,” but lack transparency, meaningful capabilities, or long-term value. Use this checklist to separate real AI innovation from marketing buzzwords and ensure your AI partners meet the highest standards for credibility, compliance, functionality, and long-term business impact.

If a vendor can't answer these clearly and confidently, their AI probably isn't built for long-term success. Below is a more detailed checklist that can help you with existing and prospective vendors.

Five questions to cut through the AI hype

Choosing the right AI partner doesn't have to be overwhelming. If you boil it all down, these five key questions will help you separate real AI capabilities from marketing buzzwords:

1. Question – How does your AI model source and process HR data?

Reason → To know what fuels the AI and if it aligns with your data security needs

2. Question – What steps do you take to prevent bias and ensure fairness?

Reason → To make sure safeguards exist and because AI should enhance equity, not reinforce biases

3. Question – How do you comply with data privacy regulations?

Reason → Because compliance isn't optional (GDPR, CCPA, EEOC, etc.) and vendors must prove they take it seriously

4. Question – What mechanisms exist for organizations to audit or override AI decisions?

Reason → Because AI should support decision-making, not replace human oversight

5. Question – How frequently are models updated, and how are changes communicated?

Reason → To understand how updates could impact your workforce and because AI isn't static

Vendor checklist: Guide for evaluating AI partners

1. AI credibility and innovation

Was AI built into the platform at its core or is it just an add-on?
Can the vendor provide real customer success stories with measurable AI impact?
Does the vendor have a proven track record in AI development or is this a recent shift?
Is AI continuously improving or is it a static feature with limited updates?

2. Compliance, security, and ethical AI

Does the AI comply with relevant regulations and include bias mitigation safeguards?
Are AI decisions auditable and explainable or is it a "black box" system?
What bias prevention steps does the vendor take and can models be adjusted if bias is detected?
Does the vendor conduct independent AI audits or follow recognized responsible AI frameworks?

3. Vendor vs internal responsibilities

AI governance is a joint responsibility, requiring clearly defined responsibilities between you and your vendor

Vendor responsibilities (defined in contracts, data processor agreements (DPAs), and SLAs)

Ensure AI models function as promised and remain secure and compliant
Conduct bias checks, transparency updates, and algorithm monitoring
Provide explainability, audibility, and human-in-the-loop override mechanisms for AI decisions

Internal responsibilities (HR and IT must oversee AI use in their organization)

Assess vendor practices for compliance, security, and ethical AI use
Establish internal AI governance to maintain fairness and transparency
Educate employees on AI's role in HR decisions and provide dispute mechanisms

4. Data, ownership, and model integrity

Who owns the data and AI-generated insights and does the vendor use your data to train its models?
Can the AI model learn and adapt to your workforce or is it a generic, one-size-fits-all system?
Can AI-generated recommendations be customized or overridden?
Does AI provide confidence scores or explanations for its decisions?

5. AI capabilities and user experience

Which AI experiences does it support — assisted, connected, immersive, or native?
Can AI automate tasks and execute workflows or does it just provide recommendations?
Does AI simplify the user experience or does it add complexity?
How intuitive is AI adoption for HR teams and employees?

6. Integration and scalability

Does AI integrate with your existing HR tech and IT ecosystem?
Can AI scale with your workforce or does performance degrade as usage increases?
Does it support agentic AI, allowing automation across multiple systems?

7. Cost, ROI, and business impact

1. What are the full costs, including setup, integrations, scaling, and maintenance?
2. Does the vendor provide clear, measurable ROI metrics?
3. Does AI deliver outcomes beyond efficiency, such as workforce planning insights or strategic decision-making?
4. Can AI's impact be measured and optimized over time?

8. Future readiness and vendor support

How frequently is AI updated, and what's the roadmap for future enhancements?
Does the vendor provide AI training, adoption support, and implementation guidance?
Is AI aligned with the future of HR and workforce transformation, or is it a short-term trend?



5. The mindset

AI adoption as a people-first transformation

AI adoption in HR is a technology initiative that shapes employee-driven transformation and creates cultural, process, and mindset shifts that directly affect employees, managers, HR teams, and even leadership. The success of AI depends on how well employees engage with it, trust it, and see its value. When employees have a sense of ownership over AI adoption, resistance drops, innovation increases, and AI becomes an enabler rather than an imposition.

To make this happen, HR leaders can adapt classic change management principles to address the unique challenges AI presents from job displacement fears to trust in AI-driven decisions.

Change principle	How it applies to AI in HR
Create a clear case for change	Explain the why — AI supports better, faster, fairer HR decisions
Engage stakeholders early and often	Co-design AI processes with HR, employees, managers, DEI, and legal
Tailor communication to your audience	Different messages for employees, managers, HR teams, and executives
Address resistance with empathy and facts	Acknowledge fears, provide facts, emphasize human oversight
Upskill to build AI confidence	Train HR on AI literacy, train employees on AI in their experience
Pilot, measure, and adapt	Start small, measure, and adjust based on feedback and governance reviews
Sustain the change with governance and ongoing communication	Long-term governance team to ensure trust, fairness, and compliance

3 ways to overcome AI adoption barriers

1

Make AI adoption employee-led, not just leadership-mandated

Codesign AI use cases with employees

AI adoption fails when employees feel it's being done to them, not for them. Instead, involve them early by:

- Piloting AI in real employee workflows, not just leadership-defined priorities
- Crowdsourcing AI improvement ideas — what's working, what's not?
- Creating an AI feedback loop where employees actively shape how AI evolves

Position AI as an employee resource, not an employer tool

AI is often perceived as a tool for management to cut costs or monitor performance. Flip the narrative by:

- Demonstrating how AI makes employees' work easier, not just HR's job more efficient
- Providing real-world success stories — how AI has helped employees get promoted, upskill, or reduce admin burdens

Give employees control over AI interactions

AI adoption increases when people have some degree of control over its impact on their work.

- Can employees adjust AI-driven recommendations (e.g., career paths, learning suggestions)?
- Do they understand why AI is making certain decisions, and can they give input?



2

Tackle AI resistance head-on

AI adoption faces unique pushback that other HR tech changes don't — especially around job security, fairness, and trust. Addressing these concerns early and transparently is key.

Overcome “AI will replace me” fears with visible career upskilling

Employees fear automation, not augmentation. Show them where they fit in the AI-powered workplace by:

- Creating AI + human collaboration models — what tasks does AI handle versus where is human judgment still critical
- Launching AI-driven upskilling initiatives to help employees move into higher-value roles

Reinforce AI as a decision-support tool, not a decision-maker

AI skepticism increases when employees don't understand how decisions are made. Build trust by:

- Ensuring AI-driven recommendations (e.g., hiring, performance reviews) always include human oversight
- Requiring vendors to provide bias audits and transparency reports — not just performance claims
- Letting employees see and challenge AI-generated insights — if AI recommends a job match, can the employee say, “This doesn't align with my goals” and adjust

3 **Redefine leadership's role in AI adoption**

AI adoption struggles when leadership sends mixed signals, sets unrealistic expectations, or undermines trust through conflicting actions. Employees don't just listen to what leadership says about AI — they watch what leadership does.

Set realistic expectations — AI isn't magic, and it won't be perfect

- Overpromising AI's capabilities destroys credibility when employees see it fail in practice
- Frame AI as a tool that evolves, encouraging employees to test it, challenge it, and help improve it
- Leaders should welcome pushback because if AI outputs are flawed, fixing them should be part of the process, not a failure.

Don't connect AI to job cuts — it damages trust

- Rolling out AI while reducing headcount sends a clear message — AI is replacing people — even if layoffs are unrelated, employees will make the connection
- If workforce reductions are necessary, be transparent about the reasons without letting AI take the blame
- Position AI as a growth tool tied to career mobility, upskilling, and job enrichment, not just efficiency

Model the engagement you want to see

- Employees take cues from leadership, so if AI is positioned as a tool for learning and decision-making, but leaders still operate the old way, the culture won't shift
- If AI insights influence decisions, leaders should talk about where AI helped and where human judgment was needed
- The fastest way to undermine AI adoption is for employees to see that leadership ignores the very tools they are expected to use

Conclusion

Translating AI's promise into results

According to the McLean HR Trends Report 2025, only 7% of respondents report their HR organization has a formal, documented AI strategy that is broadly communicated and is the main driver for AI initiatives.

AI is no longer just a cool new technology. It's here, reshaping processes, decision-making, and employee experiences. However, the gap between AI's promise and real results is still a challenge yet to be fully conquered. Many organizations rush to implement AI tools without a clear strategy, leading to disjointed adoption, missed opportunities, and skepticism from employees.

AI doesn't drive impact on its own. People do that. Translating AI's promise requires:

- Identifying the right use cases and rethinking workflows
- Focus on impact, not just implementation
- Leaders to set the right expectations, model engagement, and make AI an employee-driven transformation

The future of HR isn't about layering AI onto outdated processes — it's about reimagining work itself. Organizations that embrace AI as a strategic enabler will transform HR from a process-driven function into a data-powered force for business impact.

Success will come from leaders who set clear expectations, employees who trust AI, and a culture where AI supports smarter, fairer, and more human-centered decisions. The organizations that get this right will redefine the employee experience and the value HR brings to the business.

The call to action

- **Start small but think big**
Optimize where AI creates immediate gains and challenge outdated processes that AI makes irrelevant
- **Make AI transparent, explainable, and employee-centric**
If employees don't trust it, they won't use it
- **Own the change**
AI adoption is a people-led transformation before it's an IT project.

Cornerstone Galaxy, the complete AI-powered workforce agility platform, allows organizations to identify skills gaps and development opportunities, retain and engage top talent, and provide multimodal learning experiences to meet the diverse needs of the modern workforce.

Schedule A Demo