How HR leaders are using Al today

Our second annual survey of leaders in HR about their use of Al shows that they expect usage to dramatically increase over the next two years—and even so, more than half say their organization is adopting AI too slowly. They expect the biggest increases in use to come from workplace planning and total rewards.



chief strategy officers; chief supply chain and operating officers; chief digital, technology, or information officers; and chief AI officers. Other survey reports and other insights on leadership and AI can be found on heidrick.com.

Separate surveys explored the perspectives of chief marketing officers; chief legal officers; chief sales officers;

Usage is widespread—but most leaders want to move even faster

almost as many say their company is using it across most or all of the organization, the highest share across functions, and tied with marketing leaders. Not yet using Al

Only 12% of HR leaders say their companies are not yet using Al—though

12% Piloting AI in some functions or business units

Using AI in some functions or business units

Using AI in most or all functions or business units

Don't know

A focus on internal use

too slowly, which is similar to what most of their C-suite peers say. Adopting AI at the right pace

More than half of HR leaders say

their companies are adopting Al

Going too fast

2% Going too slowly

Don't know

11%

and productivity gains

internal use...

A strong majority of HR leaders

say they are focused on AI for

External use with customers External use with suppliers and partners Other

In 2 years' time

Internal use

Don't know

Currently

84% 41% 19%

30%

40%

50%

60%

54%

36%

60%

70%

10%

20%

to employee questions. Looking even just two years ahead, the shares of HR leaders who expect to be using AI for all tasks are notably higher, with the biggest jumps in

...with more than half saying they

descriptions, and slightly more than

a third saying they use it to respond

are using it in drafting job

workforce planning and total rewards. More than half of HR leaders say they will be using AI in a majority of the function's tasks. Two years from now, the top tasks HR leaders most often expect to be using Al for workforce planning, HRIS overall, total rewards, aggregating

employee feedback for performance reviews, recruitment scheduling, and understanding workforce trends.

Drafting job descriptions Responding to employee questions Initial resume evaluation/screening Sentiment analysis/employee listening Top-of-funnel sourcing and candidate matching Learning and development Recruitment scheduling Understanding workforce trends HRIS overall Drafting performance reviews Tracking internal data on employees Interview recording or transcription Aggregating employee feedback for performance reviews Social network analysis Workforce planning Total rewards Other

leaders, as well as most of their peers across functions, indicate that their companies aren't investing just to keep

Measuring ROI

Despite the hype about AI and how

quickly companies are adopting it, HR

up with peers: they are measuring success based on their goals, as they would any other investment. However, the share of HR leaders was the highest in any function who said they did not know how ROI was being measured.

Who's taking the lead?

Increased market share

Faster time to market

Improved productivity

Cost reduction

Other Don't know

Improved customer engagement scores

Spending enough time

Spending too little time

functions.

15% 31% As for the board, 36% of HR leaders do not think the board is

23%

23%

20%

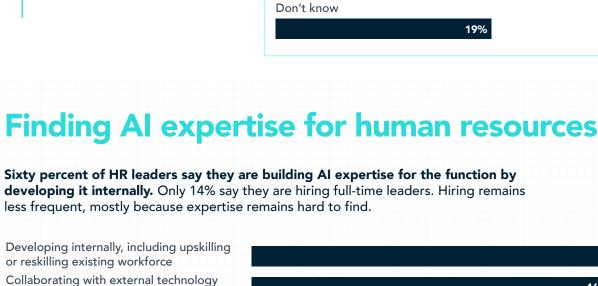
33%

Across functions, the person who is most often cited as owning AI strategy is the chief information, technology, or digital officer. About 10% say it's the CEO. And just over 10% say no one.1

There's little consistency among survey respondents in who else is involved, though general counsels and chief information security officers are cited more often than most other leaders by leaders across functions.

Forty percent say the CEO is involved in setting AI policies, and just over

60% say the digital leader is involved.



partners or vendors

Engaging consultants

Don't know

Too few people

with AI expertise

available at any level

33%

Too few leaders who

have run a large Al

program available

Spending too much time Overseeing as part of their normal oversight of strategy and risk

Seeking input from executives about Al's development and opportunities

19%

spending enough time on AI. This share is similar across most

Asking for special reports on AI policies

Asking for special reports on Al's effect on strategy

9% Asking for special reports on Al's risks

17% Seeking input from external experts about Al's development and opportunities

Other 2% Don't know

20%

14% Hiring full-time leaders 12% Engaging on-demand talent

Other We aren't trying to build AI expertise 11%

When asked about the challenges they are experiencing in building AI expertise in their

function, one-third say that there are simply too few people with AI expertise available at any level, and a similar share say there are too few leaders who can combine AI and business expertise. We don't know how Too few leaders who Too few leaders with We have other priorities for can combine AI and to define roles Al expertise business expertise available investing in talent related to AI available 30% 29%

People with Al

expertise are less

interested in our

industry than others

Other

Lack of interest

among leaders at

our company in

developing AI

expertise themselves

Don't know We aren't trying to build AI expertise

Our compensation

for AI talent is not

competitive



No specific

challenges

Across functions, it's still hard for companies to find the AI talent they need. As leaders seek to use AI for a broadening range of tasks and projects—eventually rewiring business processes across the enterprise—we expect high demand for Al-specific expertise at all levels to continue for

Talent considerations for leaders

¹Notably, only 31% of the respondents who said no one owns the Al strategy also said their company is not yet using Al;

39% said their company is piloting, and another 29% said their company is using it in some areas.



high demand during the transition, but then declined as the relevant knowledge became a part of every person's role. In other words, we expect that basic working knowledge of AI will be as fundamental an expectation for senior leaders as being digitally savvy is today. That said, we also expect every enterprise will have a senior leader responsible for the Al strategy and for Al platforms and tools. This executive may or may not have a chief AI officer title.

three to six years. In the long run, it seems likely demand will follow a pattern similar to that in earlier waves of computing innovation, from personal computing to cloud, in which specific technical expertise was in

About the research

401 executives in human resources; 153 executives in legal; 335 executives in marketing; 93 executives in sales; 90 executives in strategy; and 304 executives in supply chain and operations. This survey had a global reach; respondents represent the full range of industries, company revenue levels, and various company ownership structures.

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In spring 2024, we surveyed 1,894 executives: 518 executives in finance;

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