

# The future of *human* resources: Who will care for the human at work?







**Artificial intelligence (AI) is about to change everything. How we live, how we play — and most certainly — how we work. We are already feeling the seismic tremors of [the Fifth Industrial Revolution](#), and almost no one knows how exactly it will alter the landscape of work. Driven by cognitive technologies like AI, we are already seeing impacts on the day-to-day lives of employees and our roles as HR leaders. It will not be long before those rumbles become tectonic shifts and we are in free-fall. No one will be spared as we are all vaulted into the future together.**

This sort of rapid influx of technological change is not entirely unprecedented in human history. We've been here before — sort of. We've lived through four industrial revolutions. In fact, we were only part of the way through the last one when AI accelerated us into the next one. But in a lot of ways, we are in unprecedented times. What used to take centuries has sped to decades and years — even months. This accelerated pace of change demands an equally swift evolution in how we manage that change — how we ourselves evolve in the ways in which we live, play and work.

## **A critical question has emerged:**

Who will lead us through this era of transformation? Or, more precisely: Who will ensure that we emerge from this time in a better place than we were before?

Because most of us spend half our waking hours (or more) at work, the workplace has become the epicenter of that question. In a similar way to managing the disruptions of the global pandemic, people want to know: Who understands and can help manage the impact of this change on our lives at work — especially when work tends to impact our lives overall?

**Who are the heroes we need to take up this gauntlet? The answer, HR, is you.**



# AI's jump to lightspeed

**As with every other industrial revolution, the coming changes are not optional. AI has the potential to enhance our lives or devastate them, and people need employers and organisations to help navigate it in a way that provides a net benefit to humanity.**

In the past, people have looked to governments for these answers. Certainly, most governments are scrambling to respond to AI. But the rapid velocity of this change means it will be some time before even the most proactive governments can adequately respond to the changes.

People are no longer looking only to government for guidance and reassurance. According to the [Edelman Trust Barometer](#), government is no longer the most trusted institution in society today. People now look to their employers as their most trusted institution — expecting businesses to intervene in social issues and act for the greater good.

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The [2024 Global Talent Trends](#) report found that while trust has declined significantly to 69%, after peaking at 78-80% during the pandemic, today employees overwhelmingly believe their employers will do the right thing for both them and society. As the link between organisations and their humans, HR must [leverage this trust](#) to guide both organisations and society wisely through these changes.

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The stakes are high. As the World Economic Forum's 2024 [Global Risks Report](#) has highlighted: environmental crises, societal polarisation, concern about technology, economic strains, geopolitical tensions and technological risks are all pressing concerns. And it's not getting better, notes the WEF, who wrote: "The 2023-2024 Global Risks Perception Survey results highlight a predominantly negative outlook for the world over the next two years that is expected to worsen over the next decade."

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The next decade will challenge our adaptive capacity like never before; HR professionals must lead the charge in transforming how work is conceptualised, organised and experienced, ensuring that technology serves humanity, not the other way around. HR is best positioned to ensure that AI improves work life without sacrificing human dignity and well-being.



## Putting people first

To thrive in this age of change, HR needs to evolve beyond its origin as a **steward of employment** — tasked with harnessing individual and collective human performance to meet organisational needs. This legacy HR role largely involved a focus on ensuring the ‘silent running’ of the enterprise; that the right people with the right skills were always available at the right time and price.

This often led to one-size-fits-most talent and workforce solutions that were built for efficiency. Now, as AI and the democratisation of work exponentially increase the velocity and variability of work, HR have begun to evolve into **stewards of work**. In this new role, they are bending the demand and supply curves of work in fundamentally different ways; enabling talent to connect to work more seamlessly and meeting talent on their own terms.






Next, HR must make the jump to lightspeed and prepare for an immediate new role, and perhaps their most consequential yet: **Stewards of humanity**. That means championing our humanity at work to make sure that the human is always an equal, or more important, consideration in the future of human-machine teaming. With HR at the helm, organisations can deliver on the promise of productivity from AI and also build a more human work experience that places people at the heart of transformation.



# Welcome to the Fifth Industrial Revolution

Industrial revolutions have reshaped how we work in each of the past few centuries, and the results have had dramatic repercussions on both how we work and live. But what used to be a glacial event is suddenly accelerating much faster — as AI pushes us forward.

## HR's changing role through the history of industrial revolutions

	1760-1870	1870-1947	1947-1983	1983-2024	2024 - ????
Revolution	<b>Mechanisation</b> 	<b>Mass production</b> 	<b>Automation</b> 	<b>Connectivity</b> 	<b>Cognitive</b> 
Iconic invention	<b>Steam engine</b> Revolutionised production, shifting labour from hand tools to machines.	<b>Electricity and assembly lines</b> The era of big factories, mass production and mass consumption.	<b>Electronics and IT</b> The era of automation, and the beginning of robotics transforming job roles.	<b>Internet and smart phone</b> The information age connects people and information, globalising both commerce and workforces.	<b>AI</b> LLMs and generative AI fundamentally alter how information is processed and decisions are made and how quickly output is generated.
HR role	HR is an emerging field as work is democratised and mechanised, giving rise to a new focus on worker safety and employee rights.	<b>Steward of employment</b> – HR becomes a formalised role tasked with the 'silent running' of the enterprise with enough people with the right skills available at the right time and cost. Processes around recruitment, training, employee relations and benefits are defined and born.	<b>Steward of employment</b> – HR's work expands to include talent management and organisational development. HR now has to understand how work is evolving, partnering with business leaders to align human and technological resources. Emerging HR tech begins to transform how talent is recruited, trained and retained.	<b>Steward of work</b> – HR's remit expands to include work design as AI, automation and gig talent become critical work options. Advancing digital technologies make the employee experience even more critical. Upskilling and reskilling strategies grow in importance as the half-life of skills begin to shrink.	<b>Steward of humanity</b> – As AI's capabilities increase exponentially HR's role expands to include stewardship of ethical AI. The continued transformation of work and ultimately the human-machine teaming relationship to ensure that both the organisation and the human workforce benefit from innovative technologies and practices.

The shrinking timeframes between industrial revolutions above may be scary, but they hold true. When ChatGPT was introduced in November of 2022, it marked the beginning of the end of the connectivity era. The launch of large language models (LLM) opened the door to a new industrial revolution: The Cognitive Age.

As we step through that door, where AI integrates deeply into daily operations, the pace of change has already accelerated exponentially. Traditional roles are being redefined at an unprecedented rate and HR must adapt swiftly to navigate this complex new world. HR's mandate now extends beyond managing employment to orchestrating environments where humans and intelligent systems collaborate effectively. This era is characterised by its need to focus on enhancing human well-being, merging cyberspace with physical space and driving a data-driven, knowledge-intensive society.

Navigating this rapid evolution will be one of HR's most complex challenges yet. The half-life of change has shortened from centuries to mere years, requiring HR to not only keep pace but also anticipate the societal and organisational impacts of these technological leaps. And no organisation will be able to sit this change out.

This represents a return to core mission for many in HR who chose the field due to their own affinity for safeguarding the human in work. As stewards of humanity, that HR role is now expanded, ensuring that as we harness these advancements, we maintain a focus on enhancing human capability and ensuring equitable progress that continuously improves the world of work.








# An expanded purpose means an expanded role

The role of HR has also undergone profound transformations through these ages, evolving significantly with each industrial revolution — and often changing names to reflect those big changes. Now, as we edge closer to fully entering the cognitive era, HR's role is set to undergo its most significant evolution yet — but in a way it has also come full circle. Once again, HR is on a mission to protect well-being, safety and humanity — creating interesting, fulfilling workplaces and helping people to succeed and thrive in a time of transformative technological change.

The pressing need for HR is to move from being stewards of employment to stewards of work, to ultimately stewards of humanity, guiding organisations with a visionary approach that will help to integrate AI and human capabilities more seamlessly — while ensuring that we leave humans better off than when they began working with us.



Role	Stewards of employment 	Stewards of work 	Stewards of humanity 
Era	Past	Now	Next
Goals	Productivity and alignment	Organisational agility and employee experience	To do good and improve the human condition
Ensure	Compliant processes	Engaging journeys	Ethical interconnectedness
<b>Essential building blocks</b>	<p>Efficient, effective, compliant organisations with automated processes.</p> <p>Data-driven decision-making</p> <p>Sound, compliant HR policies and practices.</p> <p>Equitable total rewards and talent development.</p> <p>Digital first HR capabilities that reduce manual administration and free up HR for more strategic value add work.</p>	<p>Skills-powered organisations powering increasingly open work ecosystems.</p> <p>Design for employee journeys, not just HR processes.</p> <p>Customer-centric interactions and operating models with relevant and impactful HR services.</p> <p>AI augmentation of human productivity.</p> <p>Generative AI as an interface for HR services.</p> <p>Expansion of HR capabilities as HR embraces and models AI use in their own work.</p> <p>Breakdown of silos in the provision of HR services.</p>	<p>HR as the conscience of the organisation and the talent marketplace, ensuring that AI is used for the good of the organisation and the workforce.</p> <p>Management of the human-machine relationship dynamic.</p> <p>Risk mitigation and guardianship.</p> <p>Innovation to identify new areas where humans can and will drive unique value in the new world of work.</p>

## HR’s critical evolution

But let’s be clear: many HR organisations have long perfected their roles as stewards of employment, but others continue to do so and it is foundationally important for HR to get this right. From there, the prerequisite to making that jump to being a steward of humanity is to first master being

stewards of work. This progression is imperative to build on as we move towards a future where HR must not only anticipate change but actively shape the integration of AI in the workplace to enhance human dignity and organisational efficacy. Redefining work and the human experience of work in your HR practice is critical.

# New HR mandate: Stewards of humanity

This entails a fundamental shift in HR's role, emphasising strategies that foster human-machine collaboration and enhance the well-being of employees as AI transforms the nature of work.

It's important to note that the future state of well-being may look very different than it does today. Leadership here is vital in ensuring we stay on the right side of AI's dual impact — enhancing productivity and work quality while safeguarding against deepening societal divides and job displacement. Because AI has the potential to lift the burden of tedious, repetitive work from both HR and employees at every level of the organisation, HR can help employees to ensure that AI shepherds in an era of more engaging, interesting work with higher impact and value.



## Stewards of humanity

It's a calling any HR leader might find daunting but it is solidly within HR's traditional remit. HR is uniquely positioned at the intersection of technology, people and organisational strategy to execute on this mandate.

So, the question is really: Once you have effectively established stewardship over work, how can HR best navigate toward successful stewardship of humanity?

Here are a few areas to keep within your sights:



#### **Ethical use of AI:**

As stewards of humanity, HR must cross silos to work with Organisational Development, legal, compliance and other functions to focus on effectively and ethically managing the dynamic relationship between humans and machines — and adequately planning for how that will impact the organisation. Ensuring AI's ethical use and advocating for meaningful human outcomes are paramount.



#### **Safeguarding environmental, social, and governance (ESG):**

As the conscience of the organisation, HR will need to ensure the organisation is keeping faith with growing societal trust in the organisation and use AI in a way that doesn't negatively impact humans in the roles of the future.



#### **Preserving human well-being:**

Protecting the well-being of employees as AI transforms the nature of work. This includes shepherding the movement to AI and automation taking on more of the transactional work and letting humans focus more on the relational and expertise functions (often in collaboration with AI), as we recently unpacked in our 2024 Global Talent Trends research. It also means understanding and resolving fears about AI taking jobs and finally, it means ensuring that the benefits of AI enhance the employee experience and overall

**When HR personifies this role it will mean not only that HR leaders continue to have a seat at the table, but that they are a heard voice in every room, ensuring that decisions are made for the good of the organisation and the people in it.**

# Caring for the human in our organisations



**The cognitive era is on our doorstep and the disruption will not end with generative AI. HR has a golden opportunity to ensure its arrival isn't an extinction-level event for employee well-being or jobs at all.**

Let this article serve as a call to action for you — as HR professionals — urging you to rise to an unprecedented moment. At Mercer, this is something we also are laser-focused on, and we will continue to expand on this analysis with data, tools and strategies to assist you in this quest. **We are working with organisations every day to begin this journey by educating around, experimenting with and enabling AI in HR.** We help HR to re-envision its function and work while preparing it for our future roles as owners of the human-machine teaming relationship.

We urge you to redefine your roles from policy enforcer to culture creator, from administrator to strategic visionary. Rapid transformation is not just necessary; it is imperative for the well-being of individuals and society at large. Like every industrial revolution before it, this cognitive transformation will not be voluntary — so if you have not started this journey yet, now is the time to begin.

HR must lead the charge, with radical shifts in mindset and skills, with a focus on developing new capabilities that will redefine the future of work and, ultimately, the future of humans.



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