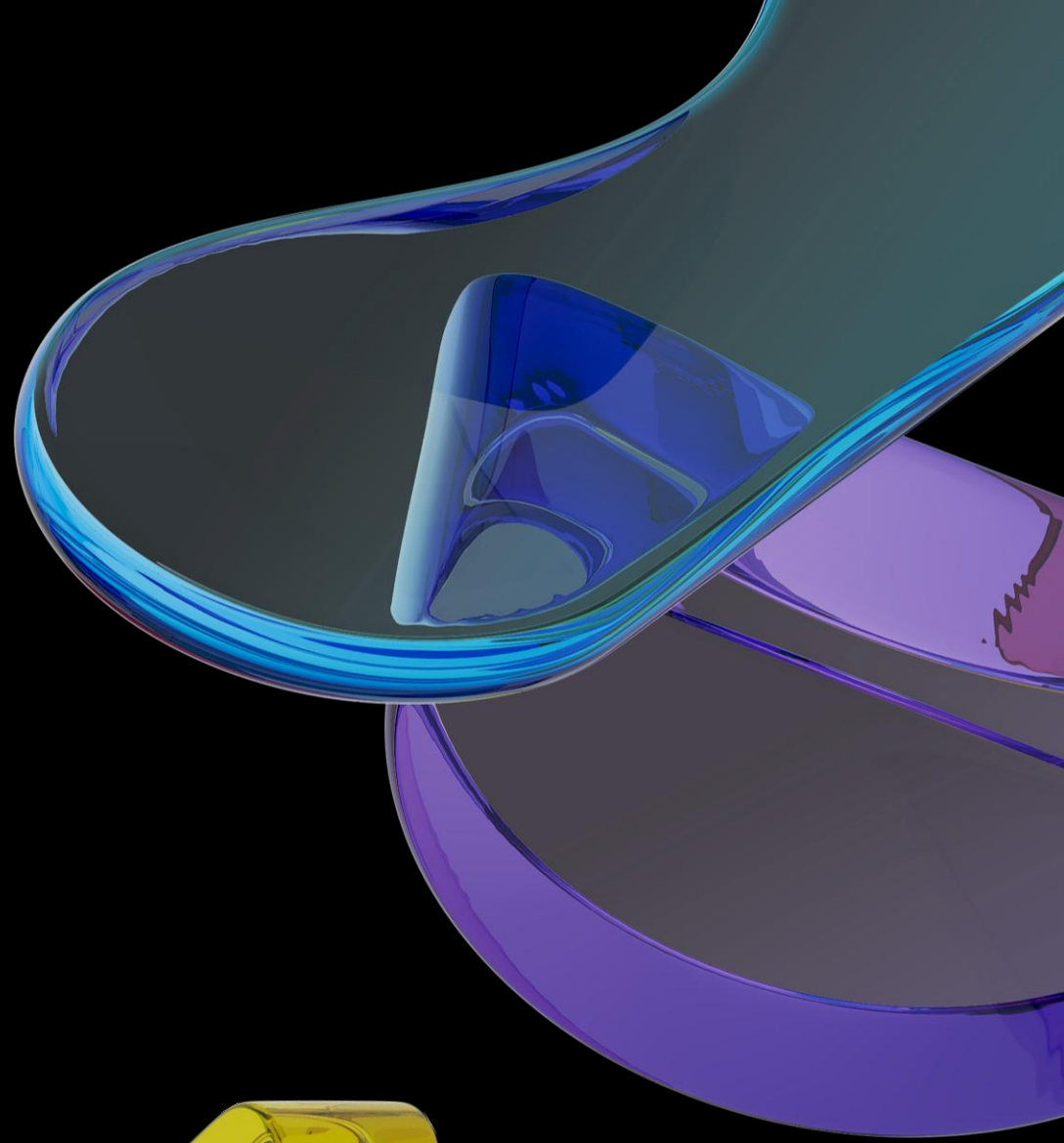
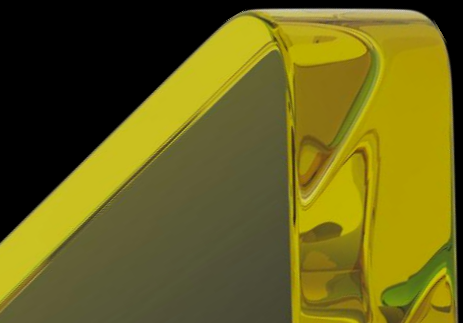
Human by Design: Thriving in the AI Workforce

November 2026





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1.1 Foreword

There are few jobs that have not been impacted by AI in the last few years, albeit that the effects may have been more pronounced in some roles or industries than others. For business leaders, AI strategy and delivery is increasingly top of the priority list. As our research shows, we are entering a new phase of AI maturity. The conversation is no longer about whether AI should be adopted, but what happens once it is.

In some cases, AI will be delivering real productivity benefits; in others the positives may remain to be seen. But when the benefits do emerge, the question then becomes: what do those gains mean for employees? And for business leaders, how can they ensure that embedding AI strengthens both their organization and the people at its core?

Undoubtedly, AI's potential is significant. AI can remove repetitive tasks, unlock productivity and give people more time to focus on work that requires human elements, such as judgement, creativity and collaboration.

But this comes with an important caveat – if AI saves an employee time, who benefits from that gain? Does it create space for employees to think, learn and collaborate? Or does it simply increase workload and raise expectations?

Beyond that, AI is changing a lot more than individual everyday tasks. It has the potential to reshape career pathways, skills development, recruitment and, ultimately, organizational culture. But as out data shows, there are tensions; businesses appear to be using AI to make cuts or freeze recruitment, with the productivity goal justifying the cost to people and their careers.

Removing entry-level work may deliver efficiencies in the short term, but organizations will still need employees who have skilled up and progressed internally. Automating tasks can increase output, but people also develop judgement and expertise through doing the work themselves, with the guidance of a human mentor.



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Encouraging widespread AI adoption across an organization can accelerate innovation, but without clarity, guidance, clear guardrails and appropriate training, it can also create anxiety, fear and uncertainty.

This presents business leaders with a fundamental challenge: how do you capture the productivity benefits of AI without weakening or undermining the workforce that will determine your organization's long-term success? How do you plan for the long-term when investors or customers may be expecting efficiency savings now? How do you take the best of AI while also ensuring people's development is prioritized. These are fundamental questions that businesses will need to answer – and fast.

This report explores them and examines whether employees are being adequately prepared for AI-enabled work. It assesses AI's implications for organizational resilience, workforce wellbeing and the future of work.

It asks what AI-driven efficiencies could mean for jobs, skills and career development and what greater reliance on AI could mean for human interaction, confidence, relationships and workplace culture. Most importantly, it considers what good AI adoption should ultimately achieve, and what best practice might look like, both for business success and workplace culture.

Success can not be measured by just productivity or financial growth. There is a real opportunity to use AI to create organizations that are more resilient and more human-centred. Workplaces where technology enhances capabilities rather than diminishing them, where efficiency creates capacity and opportunities rather than a bigger workload, and where employees understand and feel confident about their place.

Many AI tools perform the same task. People, however, are unique and serve as the real differentiator and competitive advantage for. In this new phase, will organizations seize this opportunity?

This report is a part of BSI's wider research into AI and digital trust.

The cost of AI failure explores the risks if guardrails are not in place.

- 75% of organizations have experienced an AI failure in the last year
- Only 38% of organizations have an AI governance programme in place

Download the report

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1.2 Introduction

AI is increasingly being integrated into business processes, decision-making and customer-facing activities. Alongside the potential benefits, there is wellbeing and workplace culture to consider. How is increased AI adoption and implementation affecting talent, purpose and career development?

Against this backdrop, BSI commissioned Alma Economics to explore the potential economic costs associated with AI failure, as well as how increased adoption is impacting workers at an individual level. The research sits within BSI's wider work on AI governance and aims to provide an evidence-based indication of the scale of risk AI has on workplace wellbeing. We also conducted opinion polling of 1,287 business leaders across nine markets and seven sectors.

Last year we looked at how to flourish in the AI workforce, and this new research seeks to understand, 12 months later, how the workforce can truly thrive.

We asked business leaders about AI strategy, costs, communication and training. We also asked about the reduction of entry-level roles and whether or not AI was being used to justify job cuts or recruitment freezes. Our research also explored day-to-day use of AI and the habits that have formed. Are people worried their AI use is being monitored? Do they feel pressure from senior leadership to adopt AI? Do the benefits outweigh the potential disruptions?

The findings are intended to support broader understanding of where organizations are on their AI journey, but more importantly, how they are managing the human and cultural aspects.

We believe it's imperative to build an AI-enabled workforce that delivers positive outcomes for organizations but also allows employees to thrive on an individual level.



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1.3 Executive summary

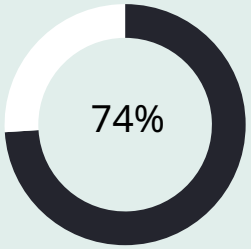
Learning and development

81%

Business leaders who expect to receive additional AI training over the next 12 months

AI and growth

Say that AI is crucial to the growth of their organization - up from 59% last year



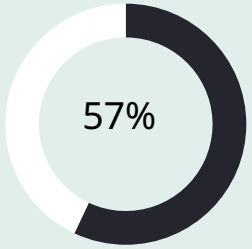
Job cuts and efficiency savings

Leaders who say that AI is helping to reduce headcount in their organization – up from 41% in 2025

54%

Overreliance on AI

Proportion who say AI has become their default choice for answers where they'd have previously engaged a colleague



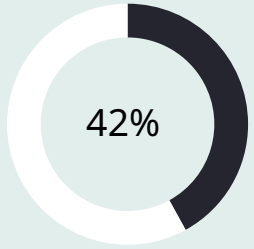
Talent pipeline

Business leaders who say they are worried that junior employees are not developing the right skills because they are consulting AI over a manager

49%

Security and safety risk

Leaders who admit to using AI tools not officially approved by the organization because they help meet deadlines or achieve goals



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2. AI strategy, communications and training

The data suggests a high degree of confidence that organizations are succeeding in using AI to support and enable evolving workforces. Overall, business leaders believe their organizations are managing AI implementation well across the workforce.

As the figures show, almost three quarters of business leaders express confidence in the training their staff are being offered around using AI outputs, a proportion that rises when asked about being trained to use AI safely and securely. Four fifths (81%) expect to receive additional AI training over the next 12 months.

Our 2025 ‘AI for Good’ report found that 59% of business leaders considered AI to be crucial to the growth of their organization. This new data suggests that organizations have responded by prioritizing AI capability-building, moving beyond experimentation to become a core organizational priority; something that employees expect or demand, and employers recognize the value of.

70%

Leaders who are confident their organization has clearly communicated its AI strategy.

69%

Leaders who are confident employees are being taught to use AI critically, analytically and strategically.

78%

Leaders who believe they had sufficient training to use AI safely and securely in the last year.

Periods of technological change do, however, often generate uncertainty and stress. The data suggests that many organizations are attempting to reduce this uncertainty through communication and investment in skills development.



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Our research this year found that growing numbers of organizations express confidence that they have defined and effectively communicated its AI strategy to employees and stakeholders.

There is also high optimism from leaders that learning and development programmes are effective, although it should be noted that we did not discern the views of employees, who may tell a different story.

Business leaders appear to be more proactive now than a year ago about clamping down on unauthorized AI tools. 27% said these precautions were now in place – up from 22%. However, only 38% said their organization controls employee use of AI – suggesting that nearly two-thirds are leaving it to employee discretion, and there is still some way to go on this.

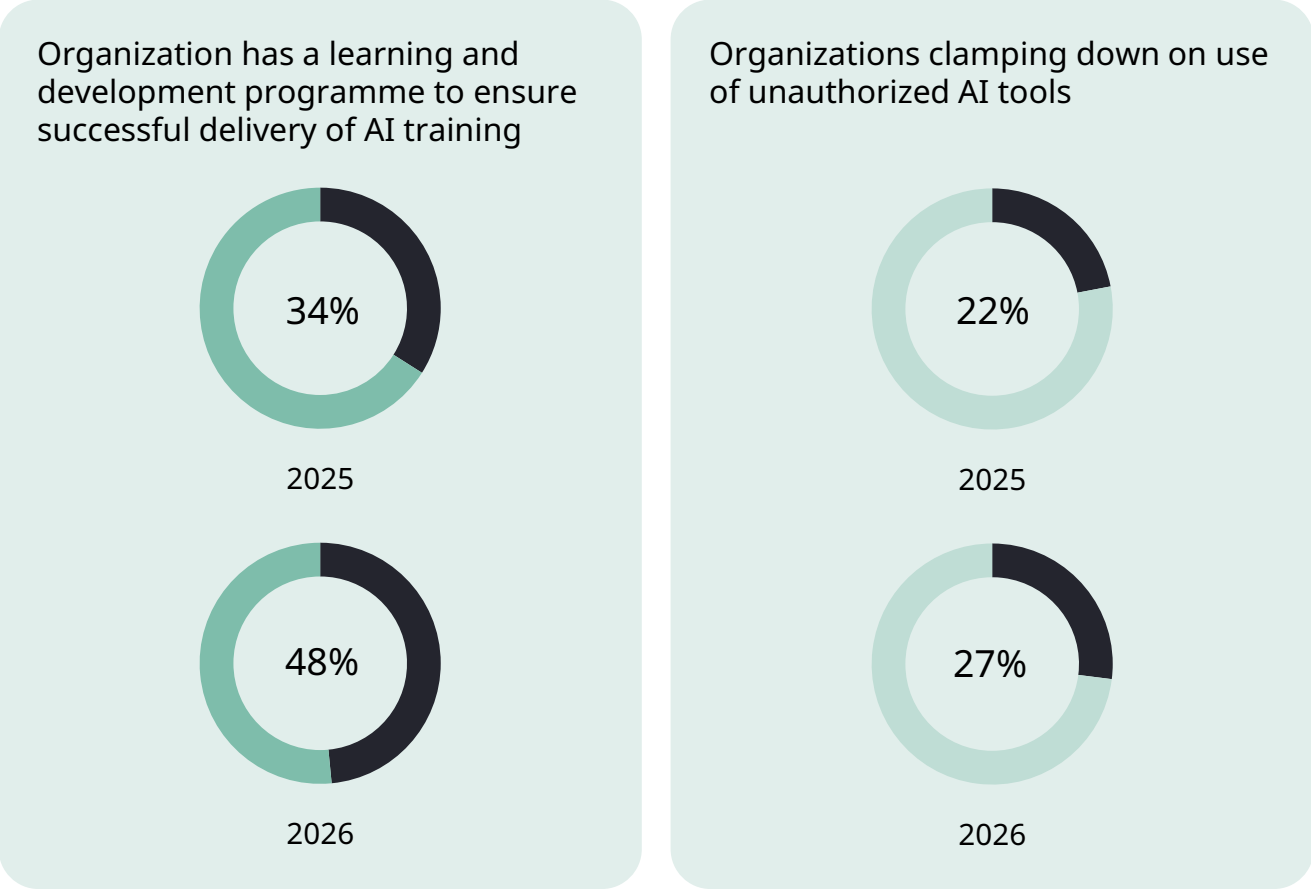


Figure 1: Business leader views on actions their organization are taking (2025 v 2026)

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Analysis

While views vary, employees are not necessarily against AI adoption. However, companies should not be surprised to find that the support may be conditional. People are likely to be willing to embrace AI provided their organization continues investing in training, puts in place safeguards around privacy and transparency, creates opportunities for career development and ensures productivity gains do not come at the expense of employee growth and wellbeing.

For business leaders, the message is clear. The organizations that thrive in the AI era will not be those that simply deploy AI most aggressively. They will be those that build the strongest relationship between AI capability and human capability, ensuring technology enhances workforce wellbeing rather than undermining it.

Employees who understand why AI is being introduced, how it will be used and how they can work effectively alongside it are likely to experience lower levels of anxiety and greater confidence in adapting to change. Furthermore, a healthy AI-enabled workplace should feel more human. Done right, this would allow for more time to think, talk, create and learn. AI shouldn’t simply augment the performance of the workforce today, but actually increase human capability over time.

Key takeaway: Invest in AI – but also in the skills, collaboration and critical thinking required to build a sustainable human workforce

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3. The tantalizing prospect of growth

At a time of stagnant economies in many countries, there continues to be a narrative around AI as the panacea. This is perhaps less pronounced than three years ago, as generative AI tools like ChatGPT exploded on to the scene, but there is no question many business leaders are putting arguably outsized faith in AI to solve their problems.

Overall, three quarters said AI is crucial to the growth of their organization (74%), up from 59% in a year. Asked about the top three reasons driving AI investment, two thirds wanted to boost productivity and increase efficiency (65%), half saw it as a tool to cut costs (50%) and two fifths saw it as a way to help fill business skills gaps (41%).

Notably, 55% said they believe AI is helping poorly performing companies to hide weaknesses – an indication that, on some level, business leaders recognize that AI cannot solve the thorniest problems.

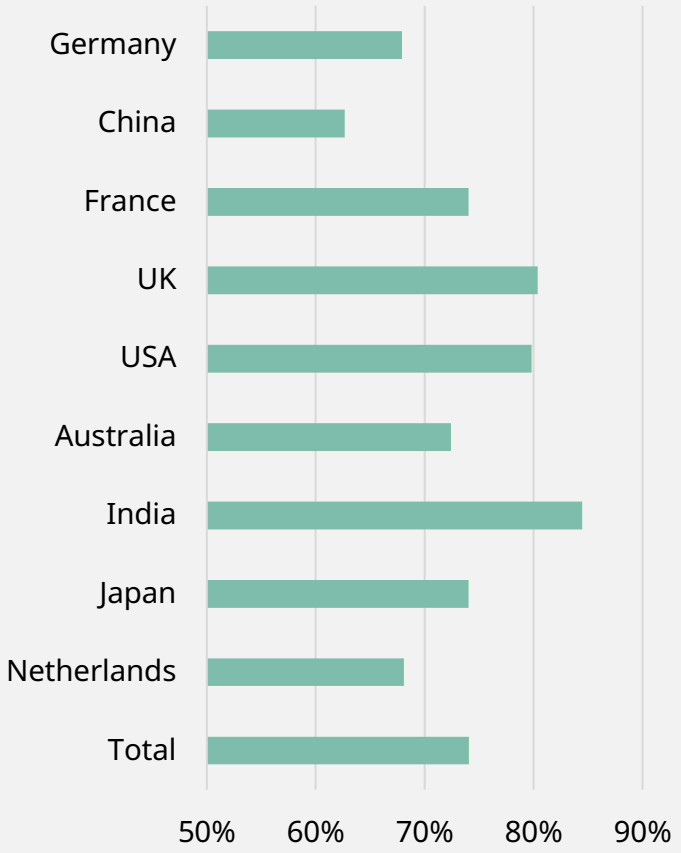


Figure 2: AI is crucial to my organization's growth

Analysis:

Many CEOs are voicing their AI ambitions and the vital role they see it as playing in their organizations' growth, reporting widespread integration of AI into everyday work. It's easy to see why; AI is seen as the holy grail, the tool that will solve endemic problems.

However, productivity does not always mean quality. While AI can now provide a solution of sorts in record time, it is only by augmenting human capabilities that a depth of creativity, collaboration and independent thinking can be achieved.

Key takeaway: Organizations must undergo full AI workforce risk analysis to ensure that the right tasks are being undertaken by the right solution – with humans in the loop at all times.

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4. AI, job security and workforce restructuring

As AI becomes increasingly integral to operations, it is inevitably reshaping how work is done and what skills are prized. As we have seen, nearly half of those we spoke to said their organization has a learning and development programme for AI, significantly up year-on-year. This is key, given that, when asked what concerns their organization has around using Agentic AI, more than a third (35%) said limited or insufficient technical understanding within the organization.

Yet opportunities to upskill appear to be coming at the same time as job erosion, and there are clear concerns about what AI means for job security and how it will reshape the workforce. BSI's research last year found that 41% of business leaders said AI was enabling headcount reductions. This has been validated throughout 2026 by reports of job cuts either overtly or indirectly due to AI, and of the challenging state of the jobs market.

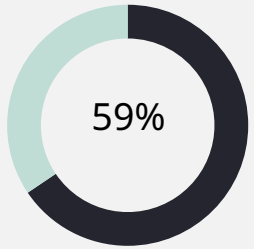
Our latest figures confirm these reports. Overall, 54% now say that AI is helping to reduce headcount (up from 50%). And asked to reflect on the past 12 months, 53% said they believe AI is already being used to justify efficiencies, streamlining, job cuts or recruitment freezes and 54% expect this to be the case in the coming year. Equally, almost three in ten said their organization currently aligns pay and promotion with employee adoption of AI (28%), raising the prospect of a two-tier workplace where being able to leverage AI is a key differentiator.

While 81% do believe AI has delivered tangible benefits (e.g. growth, innovation, efficiencies), many are also aware of the downsides. 51% say AI investment has taken resources that could have been used on other projects.

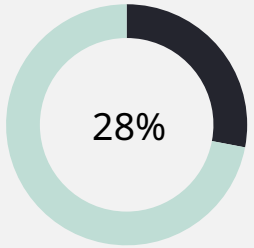
The sense is that the AI prize is so great that these trade-offs are worth it. Overall, nearly three fifths (59%) say the benefits of implementing AI in organizations are worth the potential disruptions to workforces.

54%

Say AI is helping to reduce headcount



Believe the benefits of AI are worth the potential workforce disruptions



Say their organization aligns pay and promotion with AI adoption

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Talent pipelines at risk

While the picture is concerning for all workforce stages, much of the media and political focus has been on the impact of AI on career starters. In the UK, for example, there is significant focus on the high numbers of young people who are NEET – not in education, training or employment. While AI is far from the sole cause of youth unemployment, there are fears it is poised to exacerbate an already significant challenge, with consequences that will reverberate for generations to come.

There is no question as to whether AI is reshaping employment opportunities and impacting junior roles, only to what extent. According to our research, nearly half of business leaders say AI has already reduced entry-level opportunities for career starters (49%) and the same proportion expect their organization to reduce entry level roles due to AI efficiencies.

This presents a major organizational challenge because graduate and junior roles traditionally serve as talent development pathways and important early career experience. If AI increasingly automates routine tasks historically performed by entry-level employees, organizations may need to rethink everything from graduate recruitment, talent pipelines and early-career pathways, to internal progression models and skills development frameworks

For younger workers, perceived reductions in entry-level opportunities can create uncertainty about career progression and long-term employability. This may become one of the most important employee wellbeing issues of the AI era.

52% Say AI is helping to reduce junior headcount, up from 45% last year.

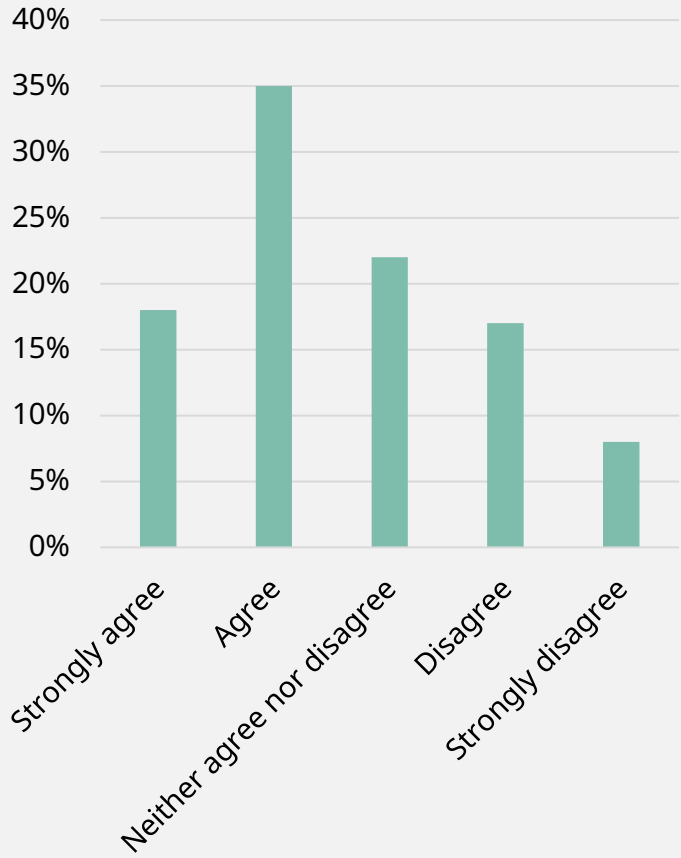


Figure 2: Organization is using AI to justify efficiencies including job cuts

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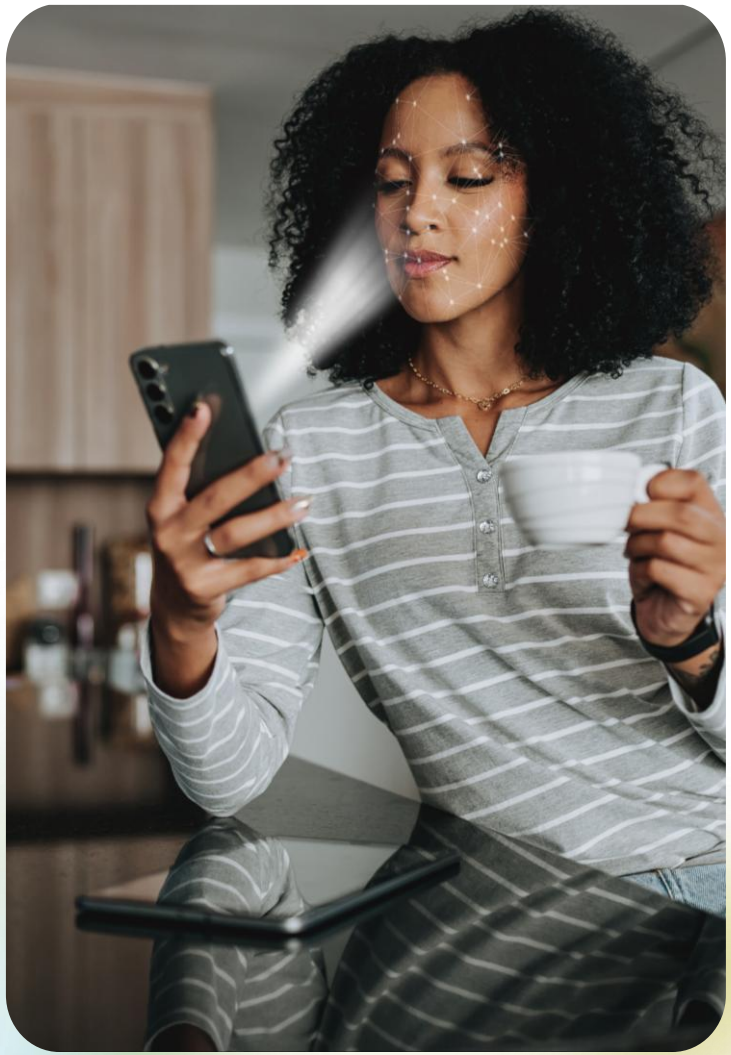
Analysis:

One of the strongest emerging wellbeing concerns is developmental rather than technological. Employees justifiably worry aboutjob security. There is also unsurprising anxiety that, if AI usurps entry level roles, there is no pathway for junior colleagues to progress. How that affects a person's sense of ambition and purpose – not to mention their economic security - is a key challenge.

Beyond salary and financial need, most of us value our jobs for the sense of purpose they give us. Work can offer identity, mastery, status, relationships and the satisfaction of becoming good at something. Take that away and the consequences for individuals could be severe. Equally, if AI shortcuts learning processes, organizations could see unintended impacts on engagement, confidence and career development. Automation could end up eradicating the work and development routes through which people develop judgement, expertise and ambition.

In this new reality, business leaders will need to conduct detailed AI workforce analysis to understand the value all employees bring, and which roles or tasks can – and cannot – be delegated to AI. At the same time, it will be incumbent on policymakers to invest resources into improving the curriculum and enhancing technology skills. If this happens, new workers will be valuable to employers because they will be able to adapt as AI transforms requirements.

Key takeaway: AI's greatest risk to the workforce in the long-term may be eroding the career pathways, learning opportunities and the sense of purpose through which people develop expertise, confidence and ambition.



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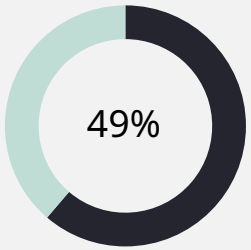
5. Use AI but don’t rely on it - the new workplace quandary

AI’s rapid adoption across industries globally means that for many businesses, especially those with shareholders, we are seeing a race to show just how AI-enabled they are. Leaders appear to be using AI as a byword for running innovative, forward-thinking operations. The sentiment seems to be ‘adopt AI or die’.

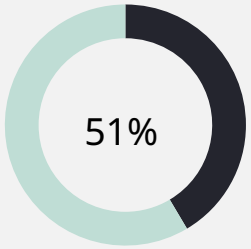
Against this AI gold rush, 41% of business leaders noted that they felt pressure from senior leadership to adopt AI. This can be a positive thing. 81% said they are using AI to be more efficient in their role, while 82% believe AI is saving their organization time.

However, the data suggests AI is becoming a default solution, which may have longer term impacts. 51% often use AI even without thinking about if it’s the best option, while 57% say AI has become my default choice where they’d have previously engaged a colleague. This raises the prospect not only of people getting incorrect or inadequate information from AI, but also of it diminishing workplace dialogue and discussion, which is vital for creativity, idea generation and development at all stages.

41% Felt pressure from senior leaders to adopt AI



Worry that junior staff are not developing key skills because they rely on AI



Use AI without thinking about whether it’s the best option

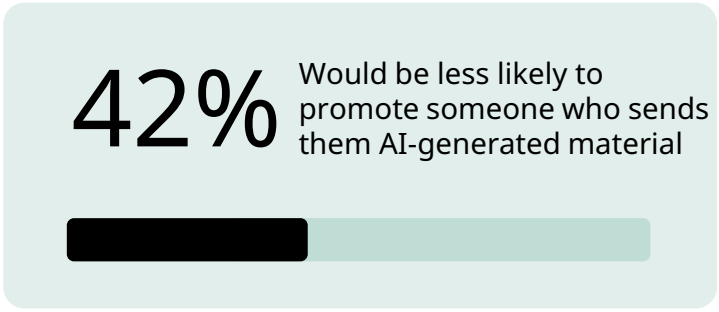
Notably, leaders recognize this challenge for junior employees, with 49% worrying the cohort are not developing the right skills because they are consulting AI rather than managers. But they are perhaps insufficiently self-aware to recognize that they themselves may be impacted too. Two fifths say they are putting in less effort because they can rely on AI, without necessarily considering what this means for their long-term career prospects.

AI is frequently cited as a timesaver or a way to alleviate workload pressure or even burnout. But the question is: where does time freed up by AI go. If AI makes someone more productive, but their workload rises commensurately, use of AI is only benefiting their employer. The ideal instead might be that employers fund a human dividend from AI productivity gains allowing more time to think, learn and collaborate.

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Rather than pushing employees to produce infinitely more, the true gain could come from gifting them the time to flourish.

The data shows that we are still adjusting to how much AI is the right amount. Businesses are clearly encouraging AI use, but there is snobbery about this. 42% would be less likely to promote someone who sends them AI generated content, while half (49%) say they think colleagues are putting in less effort because they can rely on AI. Almost two thirds (64%) suggest AI can help low-skilled employees hide performance or competence issues, up from 53% year-on-year. Overall, it seems to be a case of AI being acceptable when you use it, but questionable when others do.



Analysis:

Many of us remain skeptical of AI-generated work, – yet increasingly keen to utilize AI ourselves. This reveals a powerful workplace contradiction. Employees are encouraged to use AI, but may still be judged negatively If they appear overly reliant on it.

To manage this, organizations need to clarify:

- What constitutes acceptable AI use?
- Where should human judgement remain central?
- How should AI-assisted work be evaluated?
- Will existing discrimination be further embedded

Without clarity, employees may experience uncertainty around performance expectations, and existing biases are likely to be reinforced. More broadly, there is unsurprisingly some concern that efficiency may be coming at the expense of learning, critical thinking and expertise development. The long-term risk to employee wellbeing is not simply reduced capability. It is reduced confidence in the workplace.

Key takeaway: Without clear boundaries, organizations risk turning AI from a productivity-enablement tool into a source of uncertainty, bias and declining employee confidence.

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6. A calculated risk

For many business leaders, there is a tacit acknowledgement that AI is both opportunity and risk. As we have explored in our recent study of the cost of AI failure, the implications of AI going wrong can be significant.

Yet given the narrative of efficiency gains and productivity benefit, some are displaying an outsize appetite for risk. For example, half (49%) of business leaders agree that the efficiency gains made by AI are worth the risks of producing inaccurate information or hallucinations. Even more (55%) say the efficiency gains are worth the risks of data and security breaches.

Meanwhile, even as businesses attempt to clamp down on unauthorized AI tools, more than two fifths (42%) say they are using AI tools not officially approved by my organization because they help them meet deadlines or achieve goals. 54% admit using AI tools that are not officially approved.

55% say the efficiency gains are worth the risks of data and security breaches

54% admit using AI tools that are not officially approved



49% agree that efficiency gains are worth the risks of producing inaccurate information



Analysis:

Perhaps the most significant governance concern is unofficial AI adoption. Employees appear willing to circumvent governance when productivity needs outweigh policy restrictions. This creates tension between organizational control and employee performance expectations.

When workers feel pressured to deliver results but lack approved tools that meet their needs, informal AI usage becomes more likely. This can increase stress, compliance risk and employee frustration or dissatisfaction.

Key takeaway: Organizations should align governance with how employees actually work, combining clear communication and guardrails with practical, effective and approved tools.

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Actions for organizations / Key takeaways

Build understanding and capability

Clearly communicate how and why AI is being introduced, and use it to build human capability over time. This will create more space for thinking, creativity, learning and connection.

Manage AI as a behavioural shift

Treat AI adoption as a change in workplace habits and behaviours, and not simply the introduction of another technology.

Protect pathways to expertise

Design AI-enabled work so that learning, judgement and progression are preserved, particularly for junior and entry-level employees for whom development depends on gaining hands-on experience.

Preserve purpose in work

Ensure that your AI strategy enhances rather than erodes the purpose, mastery, relationships and sense of fulfilment and achievement that people derive from their work.

Align AI access with performance expectations

Give your employees approved AI tools that genuinely meet their needs, so that productivity pressures do not encourage workarounds that create stress, frustration or compliance risks.

Address unofficial AI adoption

Reduce shadow AI by aligning governance with how your employees actually work, combining clear communication and guardrails with practical, effective and approved tools.

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Conclusion

The central theme emerging from the data is not one of resistance to AI. Rather, business leaders appear to have reached a position of conditional acceptance. They broadly support AI adoption and see the productivity benefits, but still have concerns about the human consequences and how to manage these in a responsible way.

In this new era of technology, it is not the case that humans are redundant. Once every organization is using AI, it will no more be a competitive advantage than having internet access. There may be superior tools, but the true competitive advantage comes from your people.

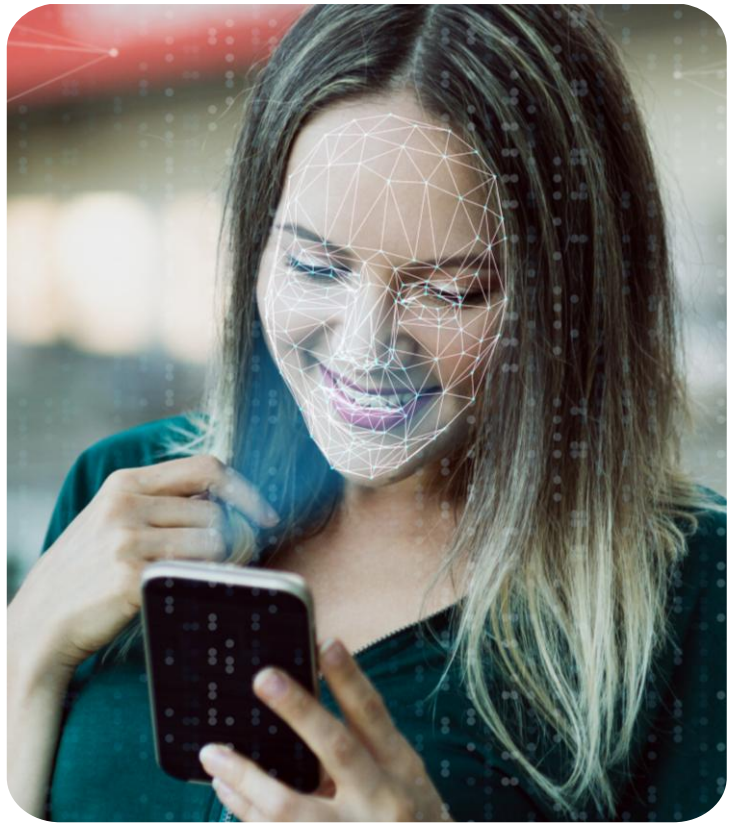
As AI becomes permeates business, the more valuable that genuine human differentiators will become: judgement, creativity, relationships, trust, and the tacit knowledge that isn't sitting neatly in a database somewhere. For the best results, AI investment should be matched by investment in human intelligence. Leadership should create trust and promote lifelong learning.

Fairness and inclusion must be embedded into hiring and workplace policy. There should be a reasonable balance between effort and reward. And the work should be designed to protect and promote both physical and psychological health. Increases in productivity should allow for more investment in employees to improve the quality of their work and their workplace.

The paradox for organizations is in spending millions giving their employees extraordinary technology, while running the risk of creating a working environment that prevents them from thriving. Two organizations can have exactly the same AI and get completely different results, not from the technology, but from the humans using it and the conditions in which they work.

In the future of work, AI should be seen as a tool to identify the conditions most likely to boost performance and individual growth. An organization that uses AI to support and protect workers is creating a culture of trust. An organization using AI to police them is building a toxic culture built on fear.

Organizations that adopt a human-centered approach have the opportunity to unleash the potential of both technology and the workforce.



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Get in touch online

Explore more insights into AI and the workforce here



1.2 Executive Summary (Old)

Our findings reveal a workforce that has largely embraced AI, but not without tensions at all levels of an organization. Business leaders increasingly see AI as essential to productivity, efficiency and competitiveness. Evolving strategies have prompted investment in training, governance and strategic communication. However, beneath this optimism still remains concerns around workforce restructuring, employee value, and the future of wellbeing in the workplace itself.

The central theme emerging from the data is not one of resistance to AI. Rather, business leaders appear to have reached a position of conditional / reluctant acceptance. They broadly support AI adoption and see the productivity benefits, but there is a question mark over the human consequences and whether they are being managed in a responsible way.



7. The hidden wellbeing impact of everyday AI

Inclusion and equality

There is no shortage of scrutiny around AI bias, but less is asked about what the AI is learning from. We can take decades of imperfect human decisions, put them into a dataset, feed that into an algorithm, and suddenly treat the output as objective.

The EU AI Act recognizes the seriousness of this. Certain AI uses in recruitment, promotion and worker evaluation are high-risk. And certain exploitation of vulnerabilities associated with age, disability or someone's social or economic situation is actually prohibited where the Act's harm threshold is met.

Whilst crucial to consider, discrimination is not just an AI problem. If inequality is endemic in your recruitment, promotion, performance management or culture, fixing the algorithm won't fix the organization.

It's also important to consider the potential for AI to reduce barriers for employees, for example those that are neurodivergent or have speech or communication difficulties. Earlier this year BSI conducted research around employee confidence to raise challenges related to neurodiversity, finding that 25% reported no specified support services. We also estimated the monetary impacts of the variation in productivity outcomes linked to neurodiversity-related challenges In the UK alone, that amount was £2.8bn.

For decades we have designed workplaces around an imaginary average human that reads, processes information, communicates, concentrates and works in a particular way. As a result, highly creative and talented people that don't fit into that model have been excluded. AI offers workplaces the possibility of turning that around. Instead of continually asking people to adapt themselves to work, technology can increasingly adapt work to the person: changing how information is presented, helping someone structure their thoughts, communicate, process information or interact in the way that works for them.

The future shouldn't be about making everybody work in the same way more efficiently but should allow more people to contribute in the way they work best. AI could be an extraordinary equalizer, but it can also automate inequality at scale.

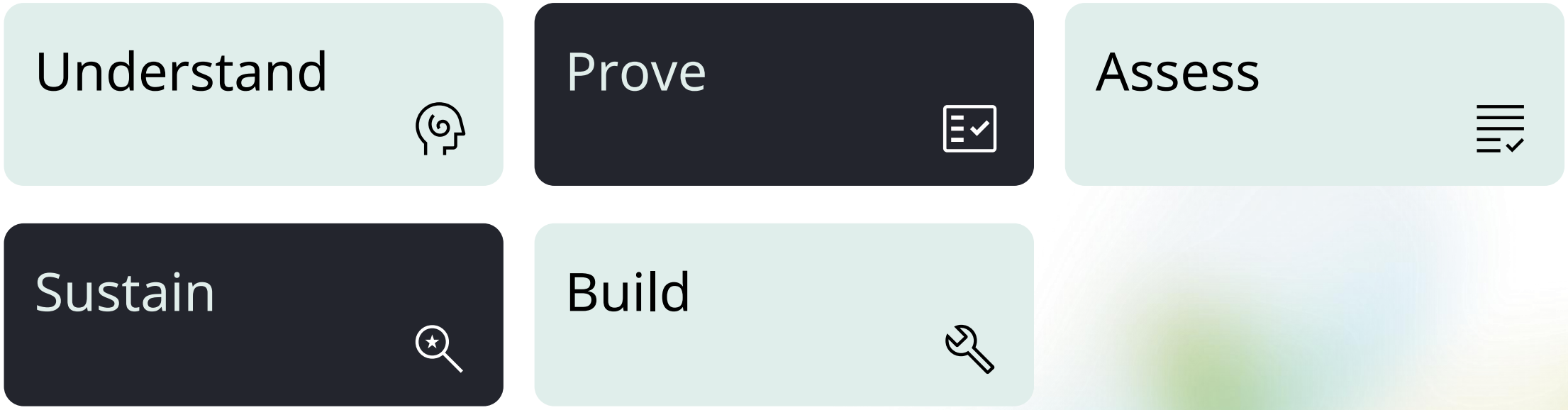


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8.1 Your path to trusted AI

No two organizations are at the same stage of AI maturity or need the same things.

Whether you need to upskill teams, manage AI risk, comply with regulations, or verify your AI systems or governance practices, there are different paths you can take that help build stakeholder trust. We can support, whatever your priority.



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8.2 How BSI can help

Understand

You know you are using AI but not always sure where or who owns it.

- Foundation training
- AI Standards
- AI insights, research and reports
- AI literacy for your whole workforce



Assess

Assess your exposure and where you invest first. You don't need to address it all at once.

- AI foundation framework
- ISO/IEC 42001 pre-certification
- AI risk management product assessment



Build

Build capability - you know your gaps, now work out how best to close them.

- AI training – four routes by role
- ISO/IEC 42001 implementation
- BSI standards library



Prove

Build confidence in your governance.

- ISO/IEC 42001 certification
- AI Notified body
- Conformity assessments (biometrics, Medical devices) EN 18286 certification
- AI testing and performance
- AI Performance for LLMs



Sustain

AI regulation is continually evolving, which means it stays fragmented. You need to stay ahead of the conversation and latest standards, so your governance adapts as new rules and risks arrive – that's where we come in at the one stage that never closes.



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