

# HR TRENDS AND PRIORITIES FOR 2026

Balancing innovation with compassion in an intelligent world of work

## FAQs

### **Q** How is AI transforming workplace productivity?

**A** AI is capable of enhancing workplace productivity by automating and simplifying the effort of specific tasks, enabling people to prioritize strategic activities. Large organizations report that AI can help streamline processes but will not replace human workers, highlighting AI's role in enhancing efficiency rather than substituting human work. Adopting AI may ultimately lead to significant time savings, given recent research revealing that up to 30% of current worked hours could potentially be automated by 2030.<sup>1</sup>

### **Q** What is agentic AI, and how can it drive business value?

**A** Agentic AI refers to systems or collections of AI agents that autonomously think, plan and act to achieve multistep goals with minimal human oversight. They can interact with external systems and adapt based on feedback and environmental conditions. To harness the full potential of agentic AI, it's crucial to align its deployment with business goals. Start by identifying the outcomes you wish to achieve, such as attracting talent, enhancing HR efficiency, maximizing employee retention or managing labor costs. This approach helps you prioritize delivering tangible business value rather than getting sidetracked by the technology itself.

### **Q** How should organizations address AI in the workplace?

**A** Organizations should foster a culture of collaboration with AI by training employees to use AI tools responsibly while realistically assessing the potential for productivity gains. It's crucial to guide employees through AI adoption and integration, ensuring they understand its benefits and limitations to prevent undue pressure, facilitate responsible use and enhance job satisfaction.

### **Q** What is skills-based job design, and how can it benefit organizations?

**A** Skills-based job design aligns employee skills with organizational goals through detailed analysis of necessary competencies for specific roles. This approach may help optimize workforce efficiency and enhance job satisfaction by matching tasks with employee strengths. It also supports strategic workforce planning, enabling flexible positioning of talent to satisfy business needs.

### **Q** What is the role of employers in employee well-being?

**A** Employers play a crucial role in enhancing the physical, mental and financial well-being of their employees. A majority of organizations recognize this responsibility; yet, there's often a gap in confidence about providing necessary resources.<sup>2</sup> Bridging this gap requires actively implementing robust support programs (putting action behind the recognition) and fostering a culture that genuinely prioritizes employee well-being.

**Q** **How are new regulations affecting AI use in HR?**

**A** Regulations like the European Union (EU) AI Act establish strict guidelines on how AI can be used in HR, particularly for high-risk decisions, including hiring and promotion. These laws require transparency and human oversight to ensure fairness and prevent discrimination.<sup>3</sup> Organizations subject to these rules must adhere to them to integrate AI compliantly.

**Q** **What should HR professionals know about pay transparency?**

**A** Pay transparency is increasingly a legal requirement, requiring clear communication of pay structures, benefits information and advancement criteria for organizations subject to these laws. Employers governed by transparency laws must, depending on their specific requirements, include salary ranges, benefits or other required information in job postings, provide such information to candidates and employees when asked and conduct regular pay equity audits.

**Q** **How can tax changes impact employee benefits?**

**A** Recent tax legislation, such as H.R.1, the One Big Beautiful Bill Act, introduces incentives for child-care benefits and paid family leave. HR professionals may need to update payroll systems and policies to accommodate these changes and communicate them effectively to employees.<sup>4</sup>

**Q** **What are the implications of expanded leave laws?**

**A** With states continually expanding paid and protected leave laws, employers subject to these laws may need to track and update policies to facilitate compliance. This includes managing accruals, understanding the reasons for protected leave and training HR professionals and managers on compliance.

**Q** **Why is the collaboration between HR and IT important now?**

**A** As technology becomes integral to HR, collaboration between HR and IT helps ensure AI is implemented and managed with human and technical considerations in mind. This partnership can help align technology investments with organizational goals while enhancing the employee experience.

**Q** **How can organizations manage multijurisdictional compliance?**

**A** Managing compliance across jurisdictions requires understanding local, state and federal laws. Typically, organizations must apply the most protective standards universally. Maintaining a robust compliance calendar and using adaptable technology that facilitates fair and consistent practices is a good start.

**Learn more about the trends influencing HR in our [2026 HR trends guide](#).**

1. McKinsey Global Institute, "A new future of work," 2024

2. ADP, HR trends survey, internal analysis, 2025

3. European Parliament and Council of the EU, EU AI Act, 2024

4. SPARK, The One Big Beautiful Bill Act Series, 2025

