Workforce Transformation

visier

STRATEGIC WORKFORCE PLANNING IN THE AI ERA

Understanding the reality of navigating workforce transformation

As AI-enabled transformation becomes increasingly business-critical, reshaping markets, operating models, and the very definition of talent, organizations' strategic workforce planning efforts are being tested.

Organizations everywhere are navigating workforce transformation, which is shining a spotlight on CHROs who are looking to understand how AI is reshaping their workforce at all levels. Workforce transformation has become an always-on discipline, whose language must be shared amongst HR, IT, and Finance so they can respond to market changes with certainty and clarity.

With the aim of understanding how current planning efforts enable or hinder true, sustainable growth and progress in the new AI era, we conducted a survey with 50 business leaders in the United States in the fall of 2025.

The results suggest that the majority of companies are not confident in their position to make truly strategic decisions that align the competing viewpoints of stakeholders around—and sometimes outside of—the business.

A key reason is that many organizations still work within silos, lean on legacy tools, and execute planning cycles designed for a pre-AI world. **While their business strategies may evolve at AI speed, workforce decisions still move at spreadsheet speed.**

Our data reflects that many organizations have under-invested in the strategic workforce planning capabilities needed to render them nimble enough to react to the pressing and ongoing needs of workforce transformation. A key obstacle seems to be a persistent gap between rigid, legacy technology that locks organizations into slow annual planning cycles and fragmented understanding of business supply and demand siloed across business, HR, and technology functions. Misalignment creates incoherent decision-making that fails to align talent with strategic goals, stifles agility, and leaves many companies unable to respond to rapid market shifts or capitalize on AI-driven opportunities. The result is a widening gap that builds as AI strategies move faster than the workforce strategies meant to support them.

AI transformation is considered business critical yet current planning practices are designed for a pre-AI era.

Organizations can take a long range view while navigating the short-term, by learning how to conduct strategic workforce planning.

A positive outlook is provided by some best-in-class companies that are already taking workforce planning to the next level and adapting to the true needs of workforce transformation. They adopt a long range view while navigating the short-term view, they update their tech stack by adding new capabilities, and truly base their planning decisions on data. That way, they position themselves for the short and the long term of workforce transformation.

In this report, we not only offer new insights, but also advice based on years of observing companies who have figured out ways to utilize strategic workforce planning to stay agile and successful. While we highlight some of the key challenges of strategic workforce planning specific to the AI era we also share practical pathways to navigate workforce transformation, today, tomorrow, and onwards.

Think of this report as a roadmap to help C-Suite leaders bridge the divide between their organization's AI ambitions and the truly strategic workforce planning efforts required to achieve them.

5 Strategic workforce planning challenges and how to address them:

STRATEGIC WORKFORCE PLANNING CHALLENGE	WHAT IT LOOKS LIKE IN ORGANIZATIONS	WHAT C-SUITE CAN DO TO SOLVE IT
1. The AI Readiness Challenge	High AI ambition meets low planning capability	Free capacity through automation for essential capability development.
2. The Siloed Insight Challenge	High performance demand meets siloed planning reality	Build cross-expert work groups that are intentional about sharing across siloes
3. The Integration Challenge	Call for alignment meets data fragmentation	Unify data in one platform for cross-functional workforce planning
4. The Strategy Challenge	Business objectives meet planning failures	Establish a discipline for achieving longer-range outcomes by aligning incentives and accountability.
5. The Agility Challenge	Need for fast decision making meets slow planning mode	Shift from annual to continuous, workforce planning

1. The AI readiness challenge: High AI ambition meets low planning capability

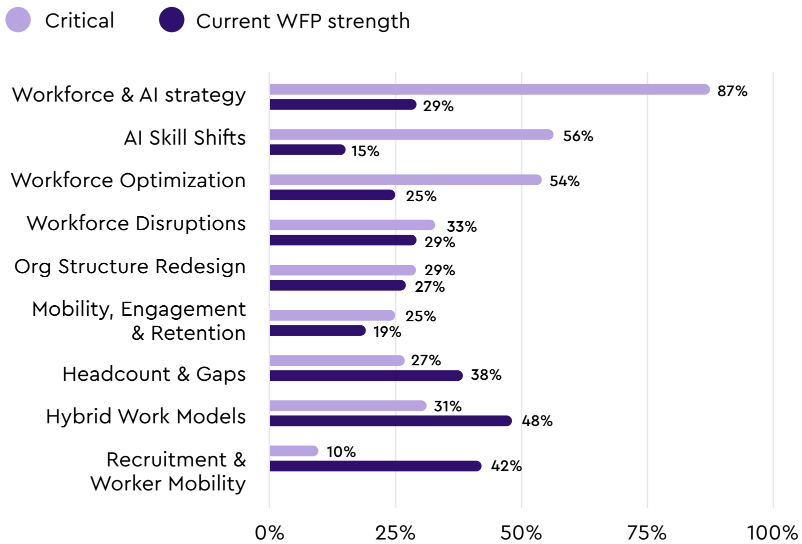
As leaders almost unanimously place strategic alignment between business, AI, and workforce at the top of the agenda, their planning capabilities are weakest exactly where the stakes are highest. While 87% of business leaders in our survey said that "aligning workforce and business strategy, including AI initiatives" is the top business need, only 29% consider their organizations to be good at doing this type of workforce planning (figure 1). Likewise, 56% report that addressing AI- and tech-driven skill shifts is business critical, but a mere 15% feel their workforce planning is up to par.

The pattern flips for more traditional activities. Only 10% of leaders say that planning recruitment and worker mobility is business critical, yet 42% rate their workforce planning as good in this area. Similarly, just 27% view determining current and future headcount and gaps as business critical, but 38% are confident in their capabilities here.

AI alignment is a top business need for 87% of leaders, **but only 29% are confident** in their planning capabilities.

Figure 1

Business critical developments vs. current strengths



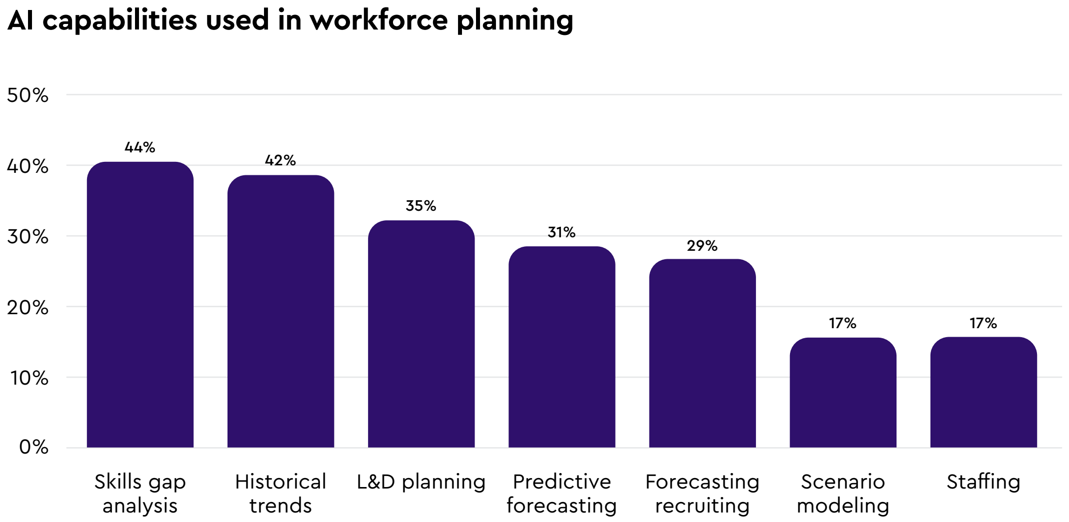
Source: Visier Research, 2025

These results show that organizations' have successfully established competencies in "old challenges" like recruitment, mobility, and headcount planning, while future needs such as adjusting workforce and AI strategy are not yet addressed. This disparity reveals a hidden truth of the new pressure on HR teams to urgently innovate and develop new processes to close this business imperative and win the "war for critical talent" in an AI-driven future.

The missing link: Limited use of predictive AI

The gap between current and future orientation in current workforce planning activities is also reflected in how businesses use AI; in 44% of organizations, AI is primarily in the areas of identification of skills gaps and demand analyses (figure 2), an encouraging fact since workforce skills are a critical component of organizational competitiveness. Yet, there is significant room for improvement in forecasting capabilities in strategic workforce planning, as only 31% use predictive forecasting and a mere 17% currently apply scenario modeling.

Figure 2



Source: Visier Research, 2025

HOW THE C-SUITE CAN RAMP UP AI READINESS

Free capacity through automation for essential capability development

The primary consequence of failing to address new and future challenges is an under-resourced—and potentially ineffective—team, which might be at risk of burnout in the face of constantly shifting priorities. To mitigate this risk and prepare for an unknown and dynamic future we suggest utilizing existing technologies to offload the routine tasks of workforce planning.

Historically burdensome activities like data collection can be alleviated by having access to comprehensive employee data, while leveraging predictive models and forecasting tools helps to elevate the conversation and provide the business with a healthy starting point for discussions about supply and demand or complex structural and cultural challenges for integrating new talent.

The use of AI tooling at the most basic level is to help unburden an already overburned workforce and create the thinking space for new and interesting challenges that will require human thought and innovation. This strategic use of tooling frees up valuable time and resources, allowing teams to shift their focus to the highest-value, most strategic problems. Furthermore, these tools provide essential data and insights, enabling continuous monitoring of progress against established business goals and ensuring that workforce planning remains aligned with organizational objectives.

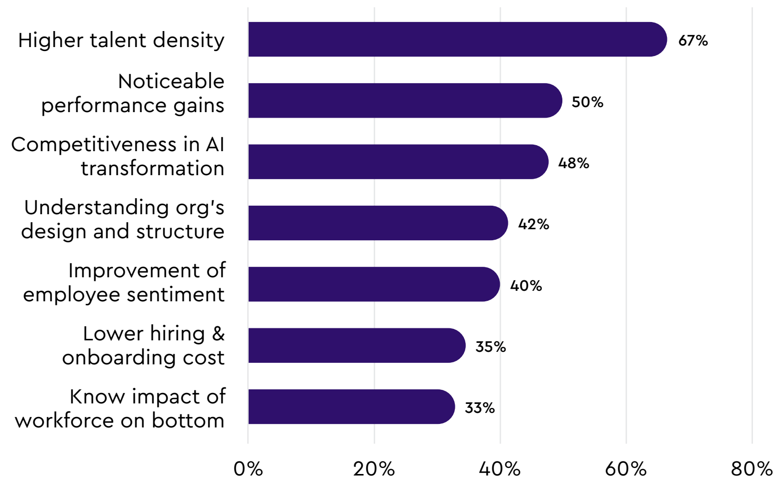
2. The siloed insight challenge:
High performance demand meets siloed planning reality

The second challenge organizations are facing today revolves around organizational silos, with separate stakeholder efforts hindering centralized planning. This, in turn, creates obstacles that prevent the organization from meeting business goals and leadership expectations. This often leads to mismatched expectations and reality, as stakeholders feel they are struggling to achieve AI transformation goals due to inconsistent processes throughout the business.

The irony is that there is less misalignment on the business and talent goals leaders aim to achieve through strategic workforce planning: 67% of business leaders expect planning to enable 'higher talent density' reflecting the desire to strive towards higher workforce efficiency achieved through a high concentration of top-performing employees within a team or an organization (figure 3). Relatedly, 50% hope for noticeable productivity and performance gains and almost as many (48%) want to see their businesses as competitive in the AI transformation.

Figure 3

The results leaders expect from effective workforce planning



Source: Visier Research, 2025

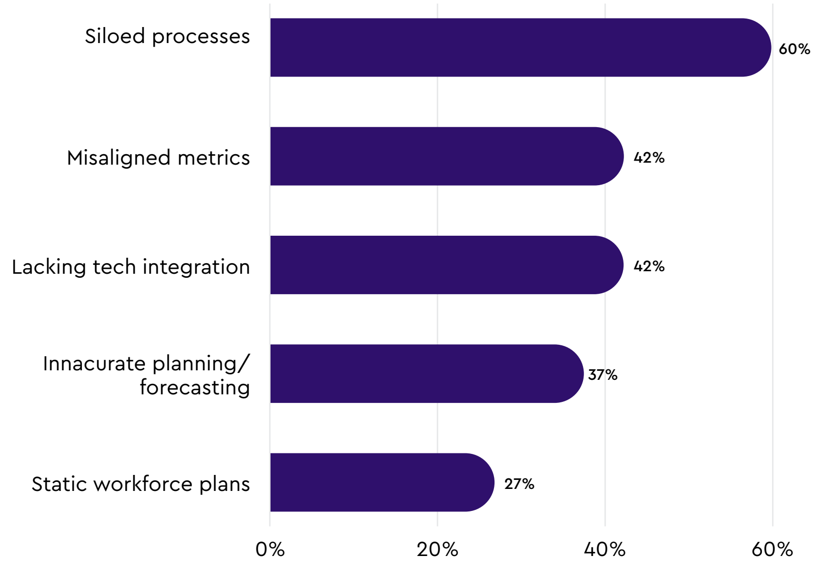
Yet again, we find many organizations encounter the challenge of a mismatch of expectations and reality: 60% report their organizations are struggling to achieve these goals in the face of the AI transformation, due to inconsistent workforce planning processes caused by organizational silos, and separate efforts by various stakeholders make centralized planning difficult (figure 4). Besides internal silos, misaligned metrics related to lacking tech integration, 42% of leaders noted systems and data sources that don't encourage sharing as a key challenge for

Though 67% of leaders desire higher talent density and performance, **silos and misaligned metrics pose a key challenge to workforce planning**.

current workforce planning efforts. In everyday realities, workforce planning teams and stakeholders are oftentimes plagued by data sitting in various systems, leading to data points regarding financials, workforce and talent, or business forecasts, rendering group decision making and long term planning slow and cumbersome.

Figure 4

Key challenges for workforce planning



Source: Visier Research, 2025

42% of leaders noted a lack of technology integration—systems and data sources that don't connect or share—as a key challenge for strategic workforce planning.

HOW THE C-SUITE CAN BREAK DOWN SILOS FOR BETTER RESULTS

Build cross-expert work groups that are intentional about sharing across silos

To effectively break down organizational silos and drive meaningful change, C-suite leaders should enable cross functional workgroups with collaboration tools that share data. To truly enable the breaking down of siloed information and practices, these cross expert work groups should also have the relevant tools providing a "single source of truth", including the capability to create alerts for one another inside of the workforce plans to ask for targeted and specific feedback.

That way, processes can be broken down, and information barriers removed and thereby, enable real change. The focus of these groups should be on solution-oriented thinking aimed at solving complex business challenges, rather than getting caught up in day-to-day operational problem-solving—ensuring they "don't miss the forest for the trees."

By incorporating diverse perspectives from across the business, these integrated teams are positioned to develop and champion long-term strategies that align the entire organization, leading to more coherent decision-making and sustainable outcomes.

3. The integration challenge: Call for alignment meets data fragmentation

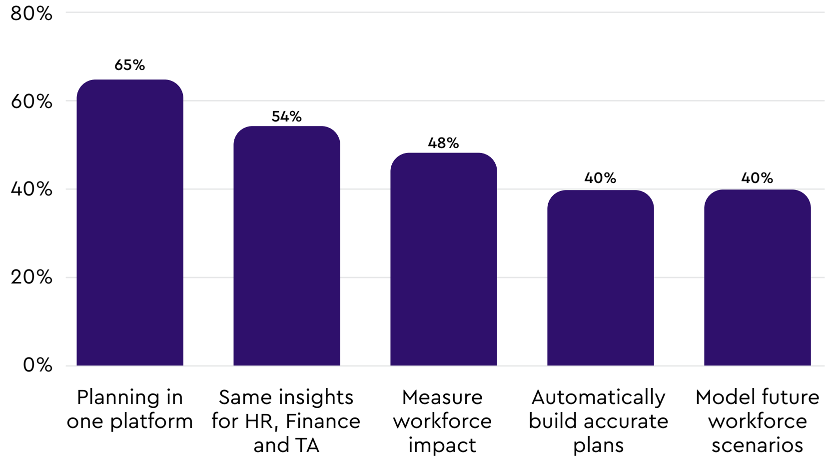
65% of business leaders say 'planning in one platform' is a business critical technology feature.

Siloed processes and misaligned metrics are a consistent challenge for organizational strategic workforce planning committees. This was also reflected in the things business leaders told us they are looking for in technologies that could support strategic workforce planning.

We found that features considered by leaders as most business critical address the capability to allow the planning process to happen in one platform: 65% of leaders want to be able to plan in one platform, meaning they want to be able to assess, plan and execute, as well as monitor and adjust in one tool (figure 5).

Figure 5

Business critical tech features for workforce planning



Source: Visier Research, 2025

Moreover, 54% cite a desire to align various business functions with shared insights is seen as important, which reinforces the role technologies can play in enabling a better and more collaborative process.

And this makes sense: siloed processes and misaligned metrics consistently challenge organizational strategic workforce planning committees, with fragmented data across financials, talent, and business forecasts further exacerbating the Siloed Insight Challenge. Business leaders recognize this gap and identify "planning in one platform" as a business-critical technology feature, and prioritize tools that enable seamless assessment, planning, execution, monitoring, and adjustment in a unified environment. Their emphasis on the need to align functions through shared insights, underscores technology's pivotal role in fostering collaboration and breaking down barriers to effective, enterprise-wide workforce planning.

HOW THE C-SUITE CAN FACILITATE ALIGNMENT IN STRATEGIC WORKFORCE PLANNING EFFORTS

Unify data in one platform for cross-functional workforce planning

The C-suite can take decisive action by championing the implementation of an integrated workforce planning platform that consolidates data across financial, talent, and business forecasts into a single system. This unified approach facilitates faster, more collaborative decision-making and supports continuous planning cycles. Additionally, promoting cross-functional alignment through shared insights and governance structures ensures that workforce planning evolves from siloed efforts into a cohesive, enterprise-wide strategic capability, enabling agility and better execution in an AI-driven environment.

CUSTOMER STORY

A large, multi-site healthcare system faced the challenge of managing highly variable staffing needs across its extensive network of sites while simultaneously ensuring high-quality patient care and optimizing labor. The organization's solution involved centralizing its high-level planning: a specialized back-office team was tasked with orchestrating system-wide workforce plans for medical delivery professionals using complex demand calculations and data analysis within a specialized analytics platform.

This approach ensured that patient-facing staff, such as doctors and nurses, were not burdened with complex planning exercises. The results demonstrated both "Data-Driven Trust" and "Proactive Management." Local clinics and hospitals trusted their well-thought-out workforce plans and managed labor in accordance with targets based on the analytics platform's data.

Furthermore, the specialized platform enabled a just-in-time monitoring capability, allowing the organization to develop stronger forecasting models, proactively anticipate staffing shortages or emerging needs, and identify opportunities to move caregivers throughout the system, which ultimately led to an improved overall quality of patient care.[1]

1. Visier. (n.d.). How a large healthcare company extended workforce analytics to reveal more productivity and revenue insights. Retrieved from explore.visier.com/healthcare-extend/

4. The strategy challenge: Business objectives meet planning failures

Business leaders consider workforce planning as a critical enabler of achieving critical business goals. As they expressed expectations for a variety of results, from talent density, over higher performance and AI competitiveness, the consequences of poor workforce planning are also noticeable.

Ineffective workforce planning carries steep consequences for business performance: 54% of leaders report missed opportunities and delayed projects, 52% point to skills mismatches and worker shortages eroding productivity, and 37% cite high recruitment and training costs from unchecked turnover (figure 6).

Beyond these figures, poor planning manifests as a silent but significant toll: Wasted spending on overstaffing and underutilization of staff are as much an outcome of ineffective planning as absenteeism and decreased engagement, consequences that are known to about a third of the business leaders in our study.

There are real consequences of poor workforce planning. For example, **35% of leaders report absenteeism and decreased engagement as a result of ineffective planning.**

Figure 6

Biggest costs due to poor workforce planning

Source: Visier Research, 2025

The data reflects the fact that effective workforce planning is not merely an HR exercise, but an organizational imperative that underpins strategic agility and sustained performance. When done well, it aligns talent supply with evolving business priorities, ensuring that capability, capacity, and cost are synchronized for impact. When neglected, however, the repercussions ripple far beyond HR metrics, undermining productivity, culture, and competitive strength.

HOW THE C-SUITE CAN AVOID POOR WORKFORCE PLANNING

Establish a discipline for achieving longer-range outcomes by aligning incentives and accountability.

To prevent the costly repercussions of ineffective workforce planning, C-suite leaders must embed it as a core management discipline rather than a periodic HR exercise. This begins with establishing a forward-looking planning mindset rooted in business strategy and scenario analysis. Organizations that don't demand their leaders to anticipate and match the market shifts with employee experience, will be left behind as such standards have become table stakes for good business management, a fact that needs to be demonstrated via incentives.

Achieving this requires aligning incentives and accountability across the leadership team. Executives should be rewarded not only for near-term financial results but also for progress on long-term talent goals—such as building critical capabilities, improving internal mobility, and reducing dependency on reactive hiring. Performance metrics must therefore connect business outcomes with talent outcomes, reinforcing that sustainable performance depends on planned workforce adaptability.

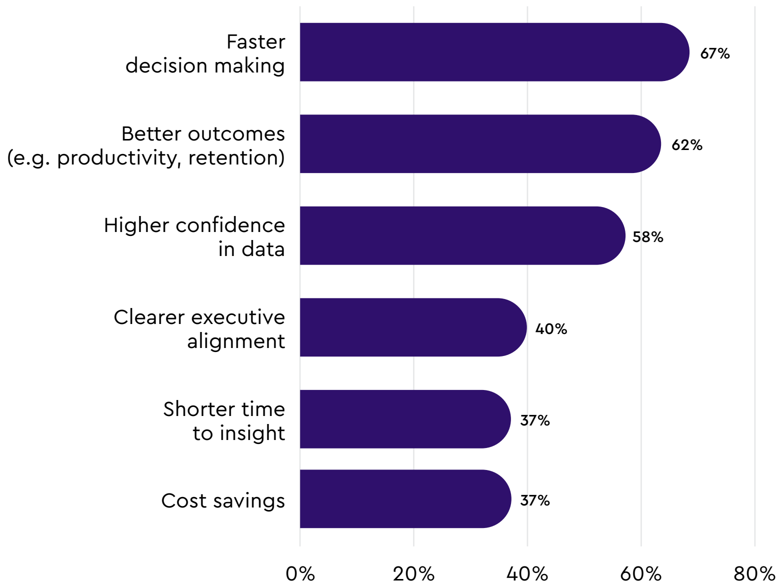
5. The agility challenge: Need for fast decision making meets slow planning mode

In today's economy that is defined by rapid technological change and continuous strategic shifts, the ability to make fast, well-informed decisions separates leading organizations from those that lag behind. Our data shows that while leaders increasingly recognize the need for speed in workforce planning, most lack the technology infrastructure required to act with true agility. This gap defines what we call the Agility Challenge.

When evaluating workforce planning tools, 67% of business leaders identify faster decision making as their top priority (figure 7). Close behind, 62% seek better business outcomes such as higher productivity and improved retention. Additionally, 58% expect these tools to deliver greater confidence in data accuracy, and 40% view them as a means to strengthen executive alignment. **Together, these findings highlight a clear mandate: agility in workforce planning is no longer optional—it is the core capability differentiating leaders from followers in the era of AI-driven transformation workforce.**

Figure 7

What leaders want from workforce planning tools



Source: Visier Research, 2025

However, many current practices don't allow for continuous or ad-hoc decision making for important workforce planning questions, so that 44% of organizations conduct once a year planning activities (figure 8) whereby 69% look into the future for no more than 12 months (figure 9).

Faster decision making in workforce planning questions is key for **67% of business leaders** as they evaluate tools.

Figure 8

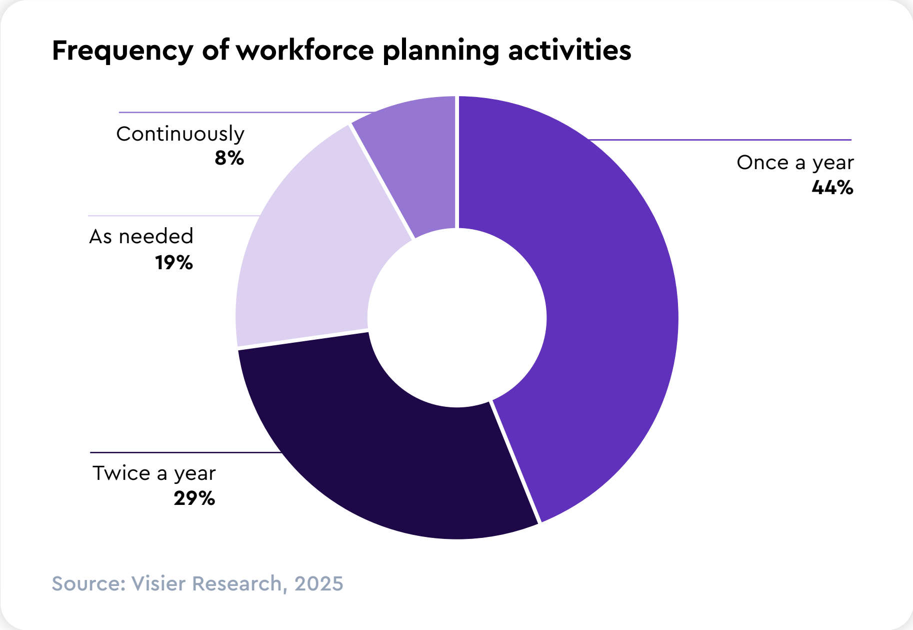
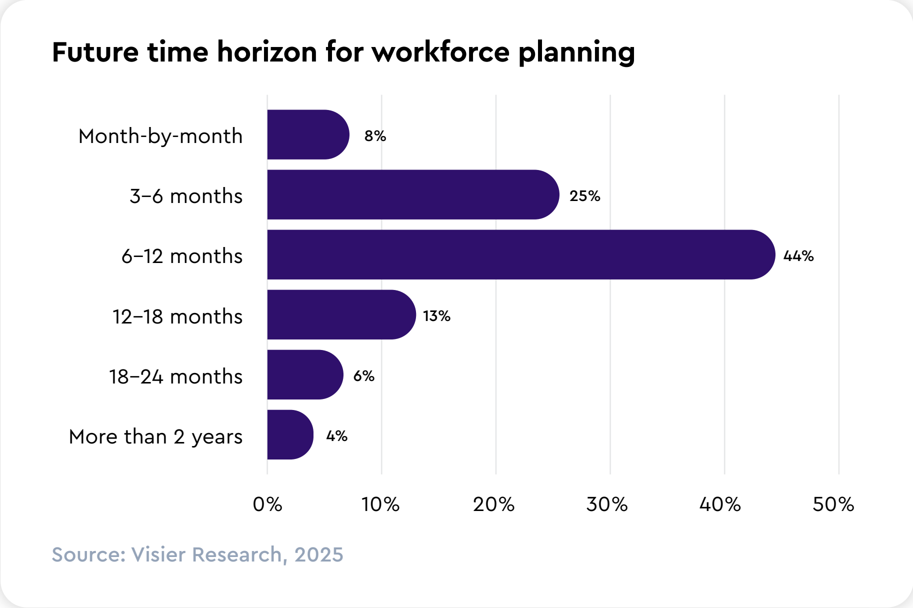


Figure 9



The evidence reveals a widening gap between the *need for agility* and the means to achieve it. While leaders understand that speed and adaptability in workforce planning are decisive advantages, outdated cycles, and limited planning horizons keep many organizations anchored in the past. Building true agility requires more than new tools. It demands a shift toward continuous, data-informed planning supported by modern technology and empowered governance. In the era of AI-driven workforce transformation, organizations that replace annual exercises with real-time foresight will not only move faster but also lead with greater confidence and strategic precision.

HOW THE C-SUITE CAN SPEED UP WORKFORCE PLANNING DECISION MAKING

Shift from annual to continuous workforce planning

Traditional workforce planning is often linked to annual budget cycles and fixed headcount forecasts made once per year. This approach assumes relative stability in business conditions, skills needs, and resource requirements. However, in today's AI-driven and technology-accelerated landscape, skills demands, market conditions, and technology adoption can change dramatically within months or even weeks. Annual planning cycles are too slow and rigid to timely address these fluctuations, resulting in skill gaps, missed opportunities, and inefficient resource allocation.

To respond, leading organizations are adopting a hybrid model that preserves the annual planning anchor, providing a baseline for budgeting and strategic priorities, while layering on continuous, data-driven workforce planning connected to real-time analytics. This continuous planning approach leverages AI and advanced analytics to monitor talent supply and demand dynamically, identify emerging skills and roles, and run scenario models ("what-if" analyses) to forecast the impact of business changes or technology adoption. This enables agile talent deployment, faster upskilling, and more precise hiring aligned with evolving business needs.

CUSTOMER STORY

A financial services company with 50,000 employees utilized Visier Workforce Planning to address the challenge of navigating market volatility and a diverse, evolving workforce with outdated, siloed, spreadsheet-based planning. The former process, which was historically driven by the Finance department, lacked the agility needed to respond to rapid market shifts and a widening skill gap.

The implementation of Visier transformed the process into a dynamic, collaborative, and data-driven strategy, establishing a single source of truth for workforce information. By empowering over 100 leaders and managers to actively contribute to the continuous planning process, the company improved accuracy, enabled proactive workforce shaping through scenario planning, and optimized talent allocation by ensuring the right skills were in the right roles to drive organizational success. Ultimately, this shift aligned workforce planning with broader business objectives, creating an agile and resilient organization.[2]

2. Visier Solutions Inc. (2025). *Workforce planning amidst market volatility: How a financial services company leveraged Visier workforce planning to build an agile and resilient workforce amidst market volatility*. Visier. visier.com/customers/financial-services-workforce-planning-profitability/

Are you ready to navigate workforce transformation?

Business and HR leaders are unmistakably caught in a critical starting period of workforce transformation where they must simultaneously protect current performance and invent the future workforce. The central challenge we are observing on the basis of our research is a widening gap between the critical need to be agile and adaptive, whilst being weighed down by old processes and tools. While organizations possess a strong, nearly unanimous ambition for AI-driven workforce transformation, their Strategic Workforce Planning (SWP) efforts are undermined by slow, rigid processes and legacy tools designed for an era of stability, not speed.

We recommend that, in order to bridge this divide, C-suite leaders must take decisive actions that will help transform workforce planning from being a periodic HR exercise to a continuous, strategic management discipline. This workforce transformation requires:

- **Modernizing Technology:** Unifying fragmented data into a single, integrated platform and using automation to free up planning teams for high-value strategic work.
- **Breaking Down Silos:** Building cross-expert work groups and establishing governance structures to align financial, business, and talent decisions.
- **Shifting the Mindset:** Moving away from slow, annual planning cycles toward continuous, AI-agile forecasting and decision-making.
- **Establishing Accountability:** Aligning incentives and metrics to hold leaders accountable for achieving long-range talent goals that underpin sustainable business performance.

Ultimately, the ability to act with true agility, replacing "spreadsheet speed" with data-informed, strategic precision, is the core capability for workforce transformation that will differentiate market leaders in the AI-driven era.

About The Authors

Dr. Andrea Derler

Principal, Research & Value

Andrea Derler, Ph.D., is Principal of Research and Value at Visier, recognized for pioneering work at the intersection of workforce analytics, artificial intelligence, and human capital management. For Visier, she leads research into how AI and advanced analytics transform Leadership and Management, HR practices, and organizational decision-making.

Dr. Kelli Klindworth

Director of Strategic Advisory

Kelli Klindtworth, EdD, is the Director of Strategic Advisory for Visier. Her background in Workforce Transformation, Culture and Workforce Planning are leveraged to create products and services that allow Visier customers to accomplish their most strategic ambitions.

About Visier

Visier Workforce AI gives leaders, business executives, and managers, the trusted insights and contextual guidance to make confident workforce decisions and lead workforce transformation at scale. The company's award-winning technology expands beyond analytics, connecting insights to action during the workforce decision moments that matter most to an organization.

Our mission is to help businesses lead with insight at scale while continuously transforming in a rapidly changing workforce landscape.

Founded in 2010 by the pioneers of business intelligence, we have over 85,000 customers in 75 countries—including enterprises like Dick's Sporting Goods, Domino's Pizza, Experian, Amgen, eBay, and Ford Motor Company.

Discover more at visier.com.

visier.com | info@visier.com | 1.888.277.9331