NGrowth

The future of leadership is you

The Future of the CHRO: Trends for 2027 and What Comes Next

Our annual CHRO report reveals leading CHROs' expectations for the position and the future of work over the next five years. Explore their forecasts alongside our quantitative analysis of more than 1,000 CHROs across 34 countries.



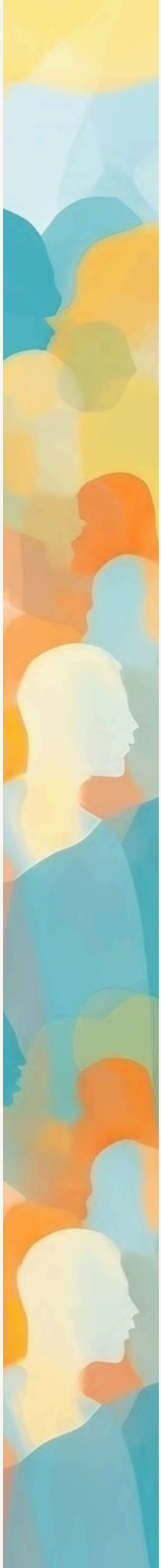

Table of contents

Executive summary

What is the future of the CHRO and the work they lead? 3

Part 1: The future of the CHRO

Chapter 1: Will CHROs own AI? 8

Chapter 2: Who is the CHRO today? 18

Part 2: The future of work

Chapter 3: Is AI waiting on the CHRO? 30

Chapter 4: How will work get done? 36

What's next?

Action items for boards and CEOs, current CHROs, and aspiring CHROs 45

About

Methodology 48

Authors 50

Executive summary

What is the future of the CHRO and the work they lead?

What should boards and CEOs be looking for in their next CHRO? How should current and aspiring CHROs prepare themselves and their workforces for the future of work?

The future of HR leadership and of work itself is unknown. We're at a moment of transformation where the basic questions about work are more uncertain than they have been in decades. Who will do the work? Humans or AI agents? Who will be responsible for overseeing technology? Technology leaders, people leaders, or someone else? Will much of human work become managing AI agents? Will AI supervise and direct human workers? Amidst such uncertainty, how do boards and CEOs select CHROs who can lead their workforces into the future? What skills, abilities, and values do current and aspiring CHROs need to develop through their experiences to lead the people function into the future?

There's no sure way to know the future. But there is a gold-standard method for future-casting. Decision makers in many fields, including medicine and policymaking, turn to the Delphi method to plan and prepare for possible futures, especially when operating in environments where information is incomplete and uncertainty high. The method uses the anonymous judgments of leading experts in a field to find where they agree and where they split and, based on those lines of agreement and disagreement, gives decision makers insight into the likelihood of various possible scenarios.[1]

Our study adapts the Delphi method to future-cast the next five years of the people function and its leadership. In a single round, we surveyed a panel of 40 leading CHROs, asking them to choose the future they expect from a set of options, a forced-choice design intended to reveal "leading," "expected," and "alternative" scenarios and "open questions," with "signals" drawn from comparison with last year's panel.[2] The premise of the study is that a panel of CHROs at the leading edge of the function is more likely to see and shape the future of the human resources function and the workforce they lead. Together, their expectations show where leading CHROs agree and where they split, and thereby prove valuable for sensing likely futures for the CHRO position and work. The aim of the study, therefore, is not to offer a prediction of the future, but to outline the aggregate vision of leading CHROs as a means for sensing and then planning for the future of the CHRO and the work they lead.

> **About the panel:** N2Growth's 2026 panel included 40 leading Chief Human Resources Officers from S&P 500 and Fortune Global 500 companies, private firms, global professional partnerships, and not-for-profits. Together, they lead more than 4.6 million people at organizations generating more than $2.3 trillion in revenue.

To gain a fuller picture of the CHRO role, including hiring trends, our study pairs our Delphi-style panel with an extensive quantitative analysis of CHRO appointments, profiles, and career trajectories, tracing appointments back to 2019. When combined, the macro quantitative analysis and the Delphi-style qualitative panel reveal how current CHRO experience baselines, their profiles when hired, intersect with the future scope of the role and the type of work and workforce CHROs will lead.

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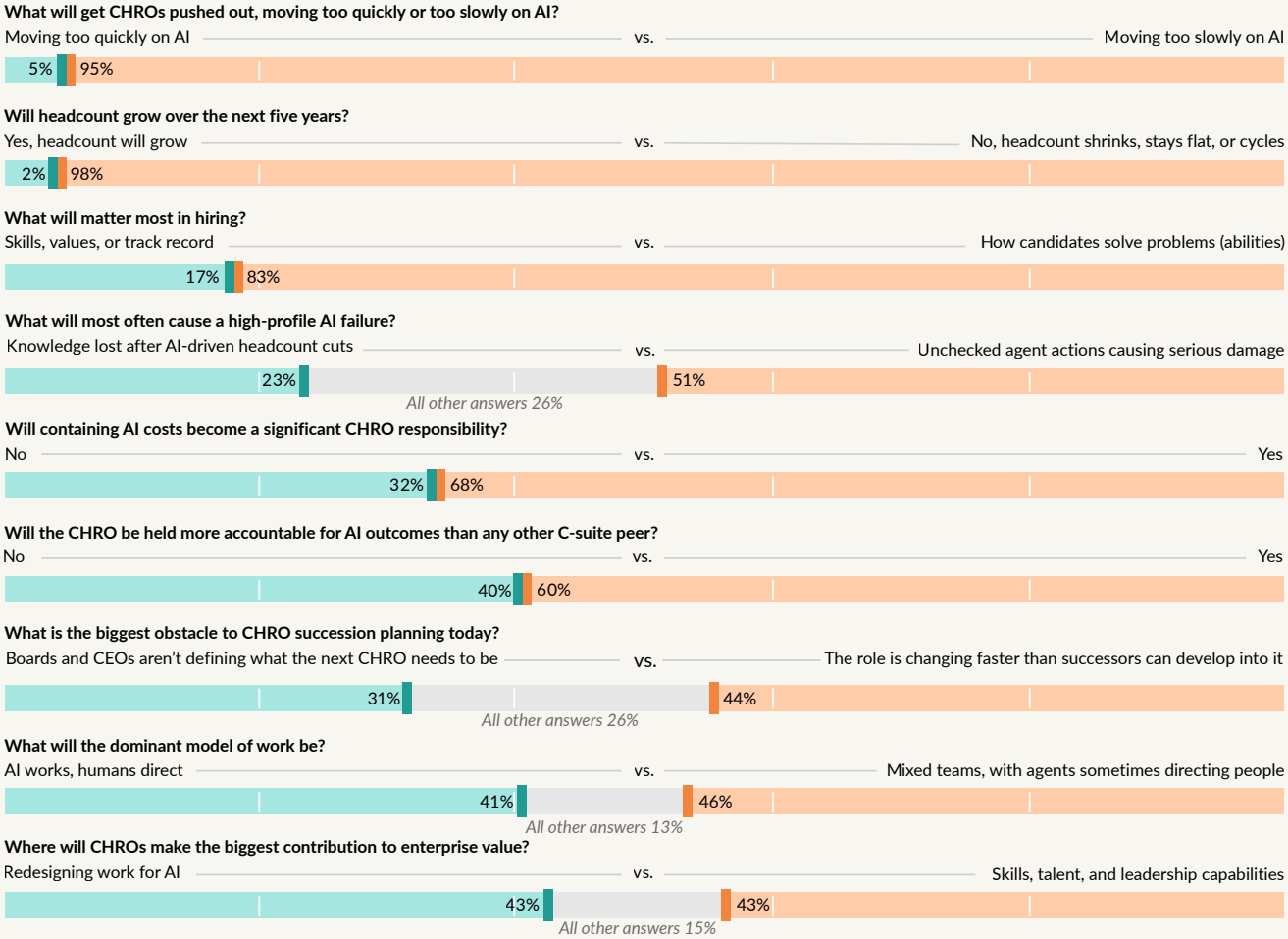
[1] Dmitry Khodyakov, Sean Grant, Jack Kroger, and Melissa Bauman, "RAND Methodological Guidance for Conducting and Critically Appraising Delphi Panels," RAND, December 29, 2023.
[2] Tony Morales et al., "The leading-edge CHRO: The future of the people function is here," N2Growth, December 2025.

Overall, we found that the mandate CHROs will be expected to own is expanding faster than the pipeline into it. As a consequence, boards and CEOs may have to think expansively and creatively to find the CHRO they need, while also intentionally creating broad development plans to prepare internal successors. Current and aspiring CHROs, for their part, should plan to grow their skill sets to include business and technology leadership.

About the macro quantitative analysis: N2Growth's quantitative analysis, the N2Growth CHRO census, covers more than 1,000 CHROs, including the 906 in the seat in July 2026, at companies headquartered in 34 countries and territories, drawn from the S&P 500, the Fortune Global 500, Forbes America's Most Successful Mid-Cap Companies, Forbes America's Top Private Companies, and LinkedIn Top Companies (together, the N2Growth composite index). It follows every S&P 500 CHRO seat across four snapshots from December 2023 to July 2026, with appointments traced back to 2019. More than 100,000 data points span titles and second functions, hiring routes, tenure, the last three roles before the seat, and gender, alongside each company's sector, ownership, size, and region.

A preview of the future

A snapshot of what our panel of 40 leading CHROs expects over the next five years.



The questions and answers have been condensed for the preview. Each question's full wording and answer options are given where it is discussed in the body of the paper.

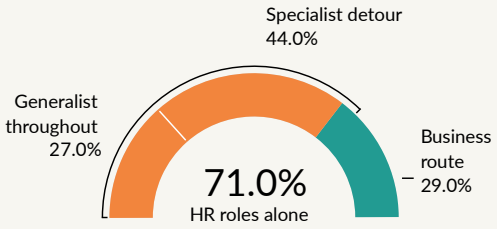
The CHRO today

How do CHROs reach the seat?

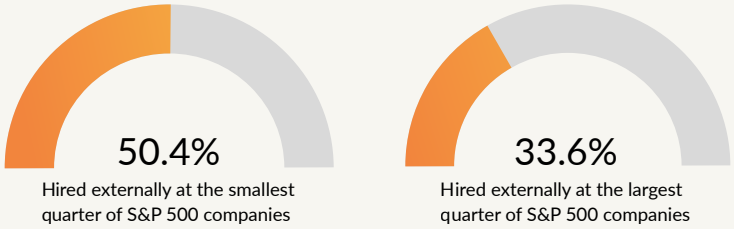
CHROs who came from outside HR are usually internal hires



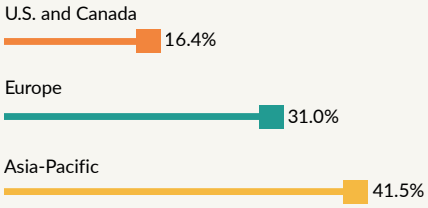
Seven in ten first-time CHROs held only HR roles before their appointments



The S&P 500's smallest companies hire CHROs from outside the company more often than its largest

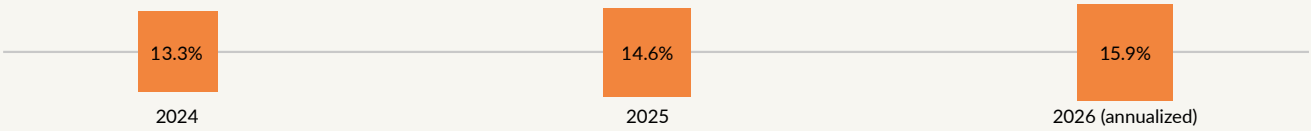


Europe and Asia-Pacific draw more of their CHROs from outside HR than the U.S. and Canada

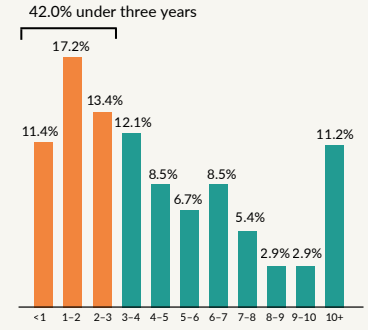


Turnover and titles in the seat

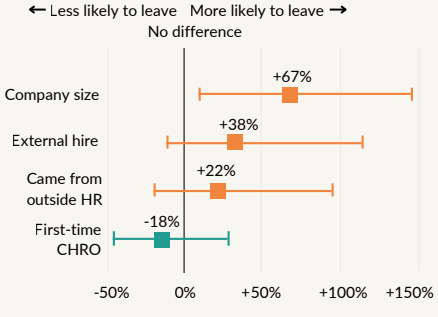
About one in seven CHRO seats changes hands each year



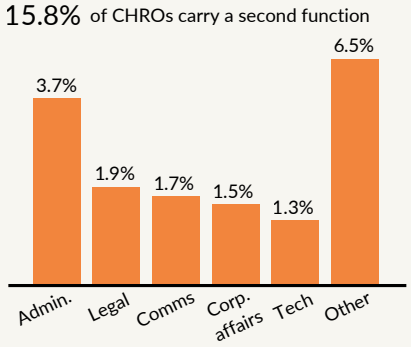
Two in five CHROs have been in the seat for less than three years



Company size predicts CHRO turnover more than hire type



One in six CHROs carries a second function



From the research: Key insights and actions

Expectations for CHROs are widening. Organizations will increasingly lean on the CHRO for help integrating AI into the organization's work. CHROs will need to be able to offer a strategic perspective on whether and how work should be redesigned, where human-AI risks land, and how AI costs should be controlled. The traditional pipeline feeding the role has not yet caught up, but current CHROs and aspiring ones have the opportunity now to grow their skill sets, lead on AI, and move the organization forward.

1

CHROs will play a large role in AI deployment, a new responsibility few have been hired for.

Action

Define the new expectations for the CHRO around AI, and either build them into a development plan for the sitting CHRO or write them into the role's specification when the seat is open.

2

Most companies are likely to appoint a new CHRO within five years.

Action

Keep the succession plan current and focused on where candidates will need to be in five years, developing potential internal successors toward that future and benchmarking them against the external market.

3

The likeliest AI failures stem from workforce risks boards rarely review, even as CHROs get less board time.

Action

Have the CHRO report on AI oversight and knowledge loss, tie workforce cuts to a plan to retain knowledge, and protect standing time with the CHRO.

4

AI has automated far less of HR's work than leading CHROs expected a year ago.

Action

Name specific HR processes to automate, set an achievable 12-month target, and publish the results.

5

Choosing the team that helps the CHRO run HR may be the CHRO's most consequential AI decision.

Action

Give the team that runs HR day to day real decision rights, freeing the CHRO to lead on AI.

6

Many leading CHROs expect culture to be a differentiator.

Action

Make culture part of the CHRO's agenda, including how AI affects company culture.

7

CHROs still mostly come through careers in HR, but need business experience to succeed in the role.

Action

Build business breadth inside HR careers through P&L-facing roles and major deals.

8

Companies will favor CHRO candidates with experience leading technology or AI initiatives.

Action

Build technology and AI experience into CHRO careers, starting with HR's own AI redesign.

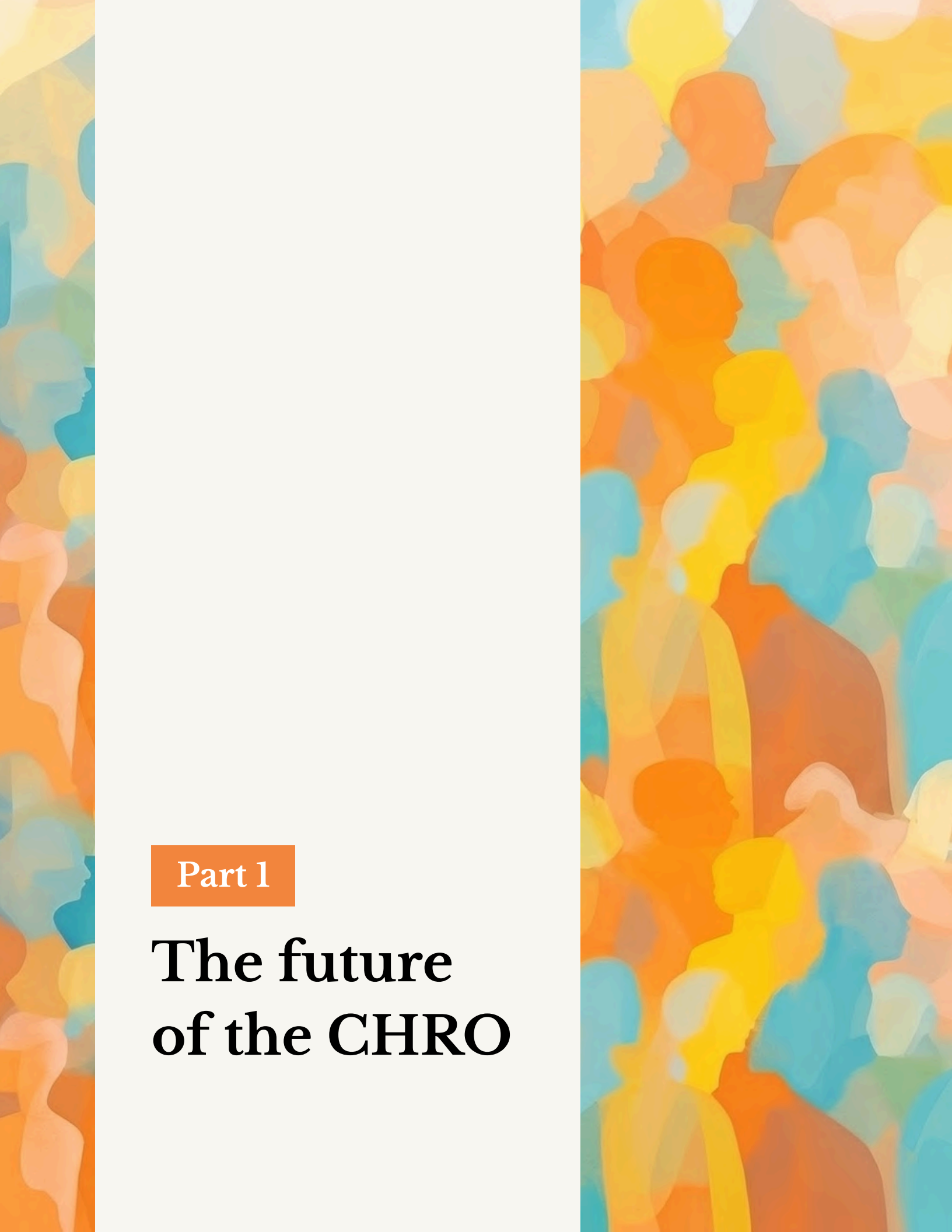
9

Most first-time CHROs are promoted from within their own company.

Action

Treat internal succession as the main route to a first CHRO seat.

View the full key insights and actions →



Part 1

The future of the CHRO

Chapter 1

Will CHROs own AI?

Until recently, technology was mostly a question for technologists. Technology leaders, broadly speaking, decided which tools to buy, when to update them, and how to secure them against threats. The CFO helped budget for those purchases, but technology had its own C-suite leader(s). As AI fully enters the workforce, however, it's not clear that technology specialists should lead on AI. AI's natural language and agentic capabilities make it different from a typical technology. As a general purpose technology that people with little or no specialist background can use to automate tasks, AI may call for a people specialist more than a technologist.

AI is already changing who does the work and how it's done. Workflows and processes are being redesigned. Which executive will be most accountable for AI outcomes? What responsibilities will the CHRO have? What will be shared? In this chapter, we ask if and how the CHRO may own AI.

Leading scenario

The CHRO will answer for AI outcomes more than any other C-suite peer

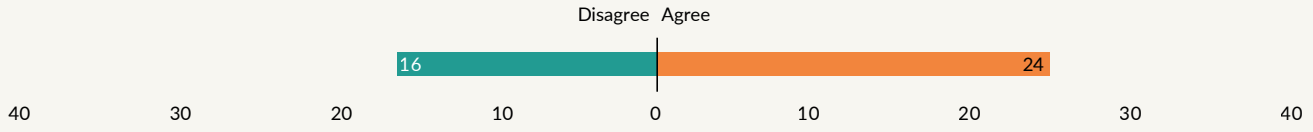
Who will manage and be held accountable for AI outcomes? Twenty-four of the 40 leading CHROs on our panel, a majority, expect the CHRO to be held more accountable for AI outcomes than any other C-suite peer. In this future, the CHRO's remit grows, and the CHRO becomes an even more important figure in the C-suite.

The finding may be striking, but the expectation is understandable. Who is better positioned to oversee the transition in how people work? Who is better placed to redesign workflows and manage the way humans direct, or are directed by, AI to get work done?

Most of our panel expects the CHRO to answer for AI outcomes more than any other executive

24 of the 40 panelists expect the CHRO at most large enterprises to be held accountable for AI outcomes more than any other C-suite peer within five years.

Survey question: In 5 years, the CHRO at most large enterprises will be held accountable for AI outcomes more than any other C-suite peer.



> Few CHRO candidates have demonstrated leadership of AI deployments at enterprise scale, so boards and CEOs who prioritize an AI track record will find a very short list. Those who hire well look for the abilities that predict success with a technology no one has mastered, such as how fast and consistently a candidate learns and how well they communicate with and inspire others to act while navigating uncertainty. We encourage boards and CEOs to enumerate and test for those abilities directly. Once the right CHRO is in the seat, backing them means clear authority over the people side of AI and a regular place on the board's agenda.



Tony Morales
Chairman, N2Growth

Alternative scenario

A peer will answer more, or accountability will be shared

Our future-casting methodology asks us, and our readers, to acknowledge that the future is unknown and therefore to weigh more than one possible future. The 60–40 majority for CHRO accountability makes it our leading scenario, but 16 of our 40 panelists do not expect this future. Owning AI on top of the entire people function may be too much for most CHROs. The deployment and control of AI may instead be a joint effort, with the CIO, CTO, or a CAIO (Chief AI Officer) as the executive most responsible for AI, working closely with the CHRO.

In this alternative scenario, a technology leader, likely a CAIO or a CIO with an expanded remit, will own AI governance, and the CHRO will stay focused on the workforce. Even so, much of the CHRO's work is likely to involve AI's effects on the people doing the work.

Expected scenario

Moving too slowly on AI will be the bigger career risk

There's a tension between the promise of AI and its still largely unrealized gains.[3] Layoffs have already occurred, and predictions of dramatically reduced workforces abound. On the other hand, some companies that have laid off employees have had to rehire them.[4] And some AI implementations have resulted in costly hallucinations and failures to work as promised.[5] This gap between promise and current reality raises a sharp question for CHROs. Should they push ahead on AI, or is it better to be cautious and slow in their approach?

The leading CHROs on our panel are nearly unanimous. Over the next five years, CHROs are more likely to be pushed out for moving too slowly on AI than for moving too quickly. Caution may seem at times to be the safer option, especially

[3] Torsten Slok, "No Signs of AI Payoff Outside the Tech Sector," Apollo: Macroeconomic Indicators & Trends, October 24, 2026.
[4] Justina Lee, "Employers who laid off workers citing AI are already starting to regret it," CNBC, July 1, 2026.
[5] Patrick J. Kiger, "Flip Flop: Why Zillow's Algorithmic Home Buying Venture Imploded," Insights by Stanford Business, December 9, 2021; Anthony Ha, "KPMG pulls report on AI usage due to apparent hallucinations," TechCrunch, June 13, 2026.

amid the current turmoil in business. Yet sticking with the status quo carries risk too. Competitors that use AI to grow and become more efficient may gain ground that cannot be recovered.

38 out of 40

CHROs on our panel expect moving too slowly on AI to be the more common reason a CHRO is pushed out over the next five years.

Two of the 40 panelists, however, do see moving too quickly on AI as the bigger career risk. Their points of view should not be dismissed. As noted above, AI has already produced costly errors, even when excluding the often difficult-to-measure costs and the damage to company culture and know-how that occur when AI is implemented too quickly, especially through layoffs. For sitting CHROs, the smarter course may be to set a sustainable pace on AI, where caution leads to reduced risk and long-term repeatable gains.

Leading scenario

Containing AI costs will become a significant part of the job

As AI becomes part of everyday work, and as agents replace some workers or are deployed instead of new hires, its costs grow and require management. Key decisions and controls need to be put in place. How many tokens should a given class of employee spend? How should spending on agents be controlled? Who should decide how much goes to reskilling employees, redesigning work, running AI experiments, or buying scarce skills?

Leading CHROs already add value to the organization by understanding the P&L and positioning the people function to contribute to it, yet spending and cost control are usually not a direct or significant part of the position. Two in three leading CHROs on our panel (27 of 40), however, expect containing AI costs to become a significant added responsibility for CHROs over the next five years. CHROs who want a say in how AI changes work must speak the



> The most important question organizations need to be asking right now is how their work systems and people systems should be redesigned as AI changes what's possible.



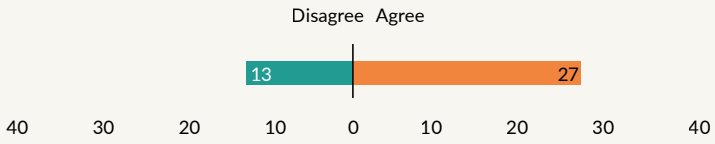
Matt Walter
SVP, HR, IT, and Global Communications and Corporate Marketing, Medtronic

language of AI spending as fluently as they speak the language of headcount.

Containing AI costs will likely become a significant added CHRO responsibility

27 of the 40 panelists expect containing AI costs to become a significant added responsibility for most large-enterprise CHROs over the next five years.

Survey question: Over the next 5 years, containing AI costs will become a significant added responsibility for most large-enterprise CHROs.



Alternative scenario

AI costs will stay a minor part of the CHRO's job

The other 13 panelists do not expect AI cost containment to become a significant added responsibility for CHROs.

In this alternative scenario, technology leaders will own AI spending and consult the CHRO, as they do on other technology matters. In either case, boards, CEOs, and CFOs need to decide soon whether decisions on AI agent and token spending belong with HR or with technology.

Open question

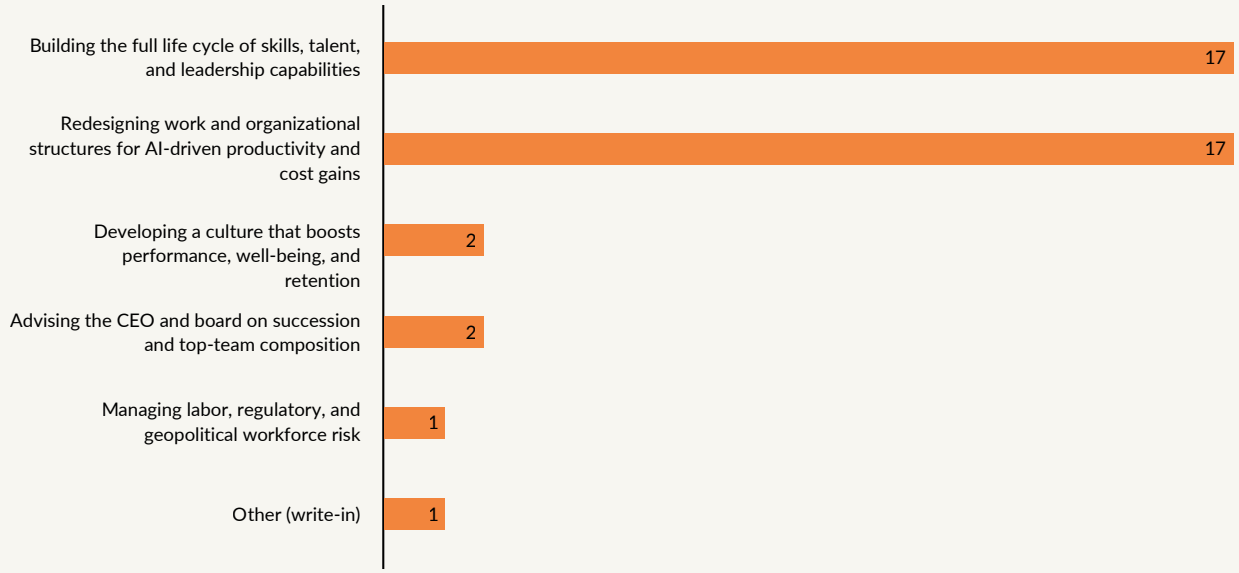
Where will CHROs make the biggest impact on value? Building skills or redesigning work?

As the people function evolves over the next five years, where will CHROs make their biggest contribution to enterprise value? Our panel split evenly between building skills, talent, and leadership capabilities (17) and redesigning work and structures for AI (17). The other three options, culture, advising the CEO and board on succession, and workforce risk, drew only one or two votes each. Culture may be undervalued, however, even by CHROs. Nineteen of our 40 panelists expect it to set companies apart, yet only two named it as the CHRO's biggest contribution.

Our panel splits evenly between building talent and redesigning work as the CHRO's biggest contribution

17 of the 40 panelists expect the CHRO's biggest contribution over the next five years to be building skills, talent, and leadership; another 17 expect it to be redesigning work and structures for AI.

Survey question: Over the next 5 years, the biggest contribution most CHROs will make to enterprise value will be:



Signal

Time is moving toward AI and away from leading HR

How do the CHROs on our panel allocate their hours? The role has grown more demanding over the past five to ten years, but the hours in the day have not increased. Effective CHROs lead the HR function and keep its core running smoothly while managing a widening set of other priorities, from P&L leadership and functional partnerships to transformation, AI, board advisory, and external stakeholders.

More of this year's panelists report spending 10 or more hours a week on AI and technology (23%), functional partnerships (23%), and leading the HR function (20%) than on any other area. Fifteen of the 40 spend six or more hours a week on business and P&L leadership.

Comparing this year's panel with last year's, we see a few differences. This year's panelists spend more time on AI and technology, and less time leading the HR function, than last year's panel did. This year, 49% spend six or more hours a week on AI and technology, against 24% last year, and 43% spend that much time leading the HR function, against 71%. If the signal persists, CHROs will need HR leaders beneath them strong enough to run the function as their own time shifts toward AI.

This year's panel spends more time on AI, and less time leading HR, than last year's

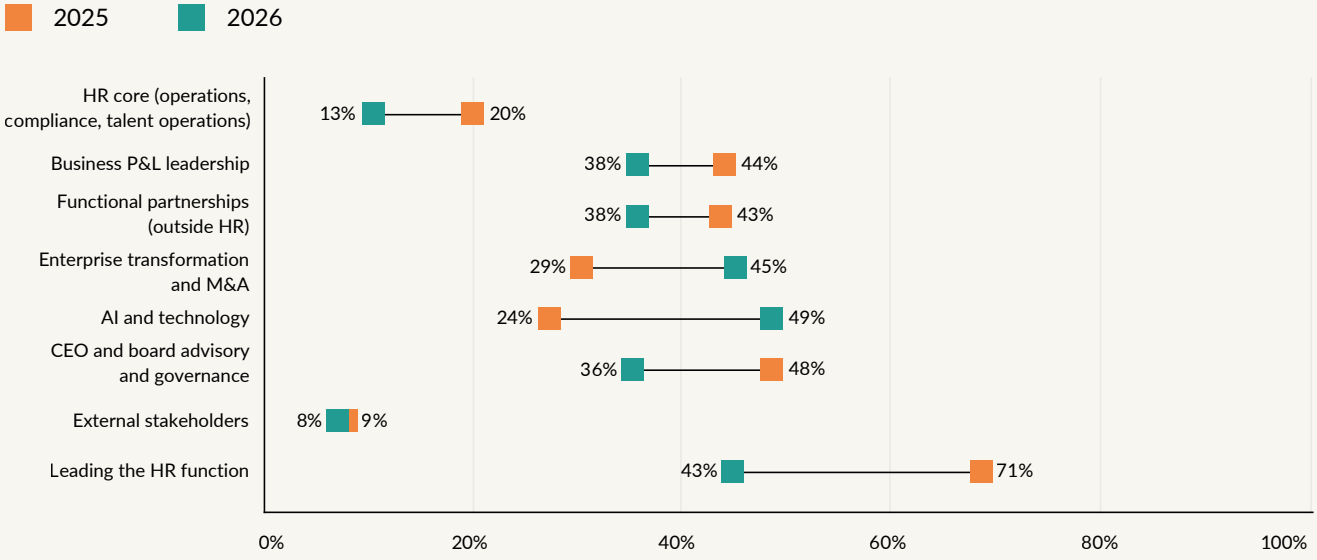
Share of this year's panel in each weekly hour band, by area.

Survey question: In a typical week, how do you allocate your work hours? (bands: 0 to 1, 1 to 2, 3 to 5, 6 to 9, 10 or more hours)

	0–1	1–2	3–5	6–9	10+
HR core (operations, compliance, talent operations)	20%	30%	38%	3%	10%
Business P&L leadership	10%	20%	33%	25%	13%
Functional partnerships (outside HR)	3%	10%	49%	15%	23%
Enterprise transformation and M&A	5%	18%	32%	29%	16%
AI and technology	0%	10%	41%	26%	23%
CEO and board advisory and governance	0%	23%	41%	23%	13%
External stakeholders	22%	46%	24%	5%	3%
Leading the HR function	8%	15%	35%	23%	20%

Share spending six or more hours a week on each area, last year's panel against this year's.

Survey question: In a typical week, how do you allocate your work hours? (bands: 0 to 1, 1 to 2, 3 to 5, 6 to 9, 10 or more hours)



Source: N2Growth 2025 and 2026 CHRO panels. Hour bands, not totals; two panels, so read the change as a signal. Bases are 37 to 40 by area in 2026 and 34 to 35 in 2025.



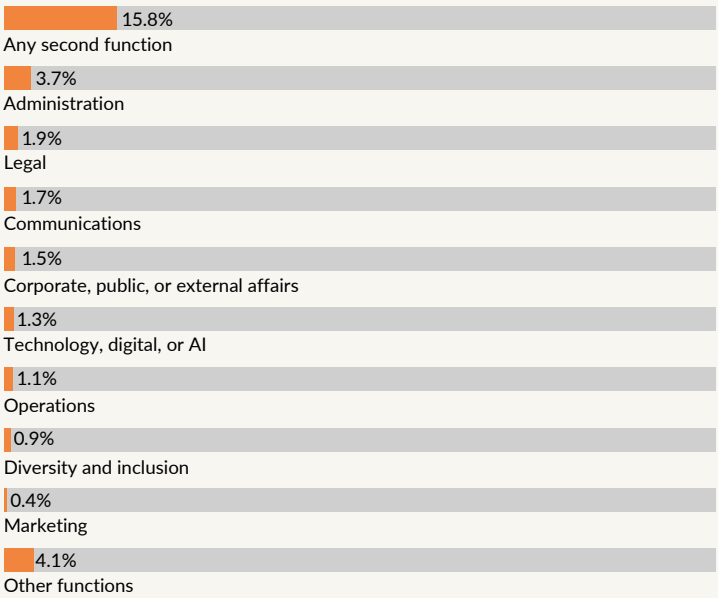
AI is not yet part of the CHRO's title

One in six S&P 500 CHROs carries a second function in the title, most often administration, legal, or communications. Despite the expectations above and some prominent early examples, technology and AI are not yet a usual part of the title. Only six of the 462 current S&P 500 CHROs have technology, digital, or AI in theirs. If our leading scenario is correct and the CHRO becomes the executive most accountable for AI outcomes (after the CEO), that will likely change quickly.

CHROs who have served longer more often carry a second function. Given the pace of change in the people function, and the chance that the CHRO will take on more responsibility for AI, its deployment, and its costs, companies should consider how to design the role when they hire, or early in a sitting CHRO's tenure. Boards may want a new CHRO to master the HR function before adding responsibilities. Waiting too long, though, risks moving too slowly on AI, and dividing the necessarily integrated task of redesigning work around AI.

AI has yet to reach the CHRO's title

73 of 462 S&P 500 CHROs (15.8%) carry a second function in the title, most often administration; technology, digital, or AI appears in 6.



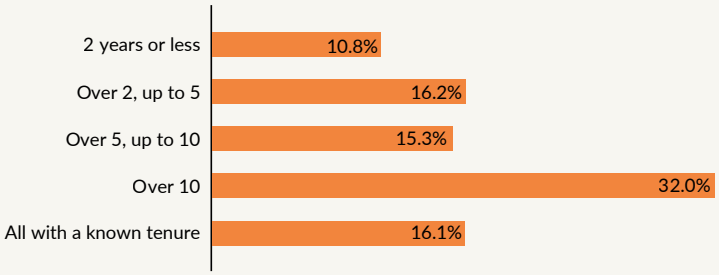
Source: N2Growth CHRO census, S&P 500, July 2026. Some titles name more than one function, so the functions add up to more than 73.

Only 10 out of 906

CHROs have technology, digital, or AI in their titles.

The longest-serving CHROs are three times as likely as newcomers to carry a second function in their titles

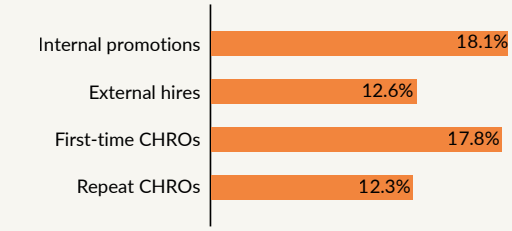
32.0% of S&P 500 CHROs in the seat more than 10 years carry a second function in the title, against 10.8% of those in their first two years.



Source: N2Growth CHRO census, S&P 500, July 2026; 448 with a known tenure. A snapshot by time in the seat, not a trend over time.

How a CHRO was hired doesn't predict whether the title carries a second function

18.1% of internal promotions carry a second function in the title, against 12.6% of external hires; neither this gap nor the one between first-time and repeat CHROs is significant.



Source: N2Growth CHRO census, S&P 500, July 2026. The two comparisons overlap, since 93% of internal promotions are first-time CHROs.

> The widest CHRO remits we see were rarely designed that way from the beginning. They grew as the CHRO earned the trust of the CEO, and the CEO saw the value of having the people function leader also run communications, marketing, technology, or whichever other function was added. The expanded responsibility shows the confidence the CEO has in the CHRO. But an unplanned remit can push the CHRO toward whatever is most urgent and away from investing in the long term health of the organization and its people. If the remit is expanded after appointment, plan the larger role deliberately, so that each area has the resources, attention, and leadership it needs to succeed.



Steve Manning
Managing Partner, Singapore, N2Growth



Interview spotlight

Matt Walter

SVP, HR, IT, and Global Communications and Corporate Marketing

Medtronic

We sat down with Matt Walter to talk about the expanding scope of the CHRO and why connecting people, technology, and work design is critical to enterprise transformation.

What is different about how IT works when it sits side by side with HR?

HR and IT are intentionally set up to co-own value realization, which means absorption and growth are treated as core outcomes from day one, not as downstream work after deployment. The role of the leader is to serve as an enterprise architect for how the work system, people system, and technology system combine to create value.

One of the biggest opportunities is that technology and the customer/employee experience get designed together from the beginning. Historically, organizations can fall into a pattern of identifying a technology solution first and only later asking about adoption, skills, or change management. When HR and IT are closely connected, the starting questions shift. What business problem are we trying to solve? How should the work itself change? Where can technology create value? And where do people continue to add uniquely human judgment, creativity, and connection?

That becomes especially important with AI. Layering AI onto the way work happens today misses the opportunity, which is to rethink the work itself, down to the tasks, workflows, decisions, and roles that create value. So the question is less “How do we deploy AI?” and more “How should work be redesigned, and how should we reshape roles and teams around those new workflows?” That is where HR plays a critical role alongside IT. Technology will enable the change, but behavior change ultimately determines whether that change succeeds.

Read the full interview here →

Matt Walter is SVP, HR, IT, and Global Communications and Corporate Marketing at Medtronic. Prior to becoming CHRO in July 2023, he spent nine years in HR leadership roles at Medtronic and previously led talent management at Best Buy after holding leadership roles at Bank of America. He holds a PhD in Industrial and Organizational Psychology from Colorado State University.

Medtronic has revenue of $36.4 billion and more than 95,000 employees, serving patients in more than 150 countries.

Decide

Will your CHRO own AI?

Most of our panel expects the CHRO to answer for AI outcomes, yet very few current CHROs hold a title that explicitly names technology or AI. As we move into the AI future, boards and CEOs need to decide who in their company will answer for AI outcomes. CHROs and aspiring CHROs, for their part, should decide how to prepare themselves for the AI future, whether or not they are the C-suite officers held most accountable for AI outcomes.

Why you might choose either. AI is most likely to deliver on its promise when workflows, and possibly the workforce itself, are rebuilt around it. Making the CHRO the executive most accountable for AI means prioritizing AI's effects on how work gets done, for it is the CHRO whose specialty lies in organizing work. Sharing responsibility, on the other hand, acknowledges that AI is a technology, and that leading it requires experience in technology leadership.

How to decide. Ask whether AI will be primarily a people issue at your organization or a technology issue, and give accountability to the appropriate executive. Then match accountability to authority, so whoever answers for AI outcomes also controls the budget and plans that determine them.



Chapter 2

Who is the CHRO today?

The scope and importance of the CHRO have been growing for several years. What do the career paths and profiles of today's CHROs look like? Have they changed in recent years?

To answer these questions, we analyzed the profiles of every S&P 500 CHRO from December 2023 to July 2026, along with the 444 CHROs in the seat in July 2026 at companies outside the S&P 500 on the Fortune Global 500, Forbes America's Most Successful Mid-Cap Companies, Forbes America's Top Private Companies, and LinkedIn Top Companies lists. For each, we recorded dozens of details, including title and tenure, whether they were internal or external hires and first-time or repeat CHROs, and the roles they held before appointment, as well as each company's sector, size, and region.

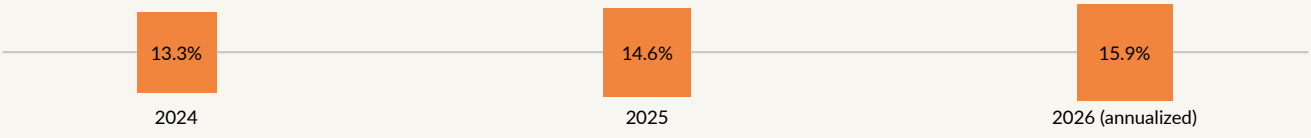
CHROs turn over regularly

S&P 500 CHRO seats changed hands 59 times in 2024, 66 times in 2025, and 43 times from January to July 2026, a faster pace than either earlier year. Two in five sitting CHROs have been in the seat for less than three years. Turnover is fastest at the largest companies, where CHROs are about two-thirds more likely to leave in a given year than at the smallest.[6]

Turnover can cause disruption, but each appointment is also a chance to reevaluate the role's remit. Even sitting CHROs should continue to grow, and companies, as they develop internal candidates, need to decide what experience and capabilities they want in the next CHRO.

About one in seven CHRO seats changes hands each year

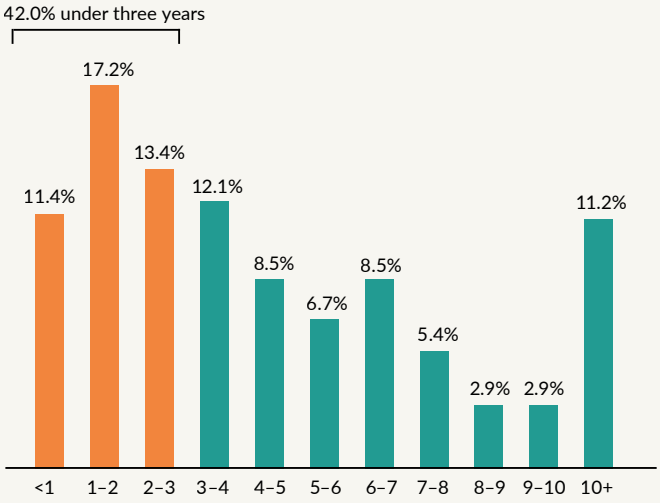
13.3% of filled S&P 500 CHRO seats changed hands in 2024, 14.6% in 2025, and 9.3% from January to July 2026, an annual pace of 15.9%.



[6] Revenue growth, unlike size, shows no link with CHRO turnover. Between 27.5% and 37.4% of companies in each revenue-growth quarter changed CHRO from December 2023 to July 2026, a difference that is not statistically significant.

Two in five CHROs have been in the seat for less than three years

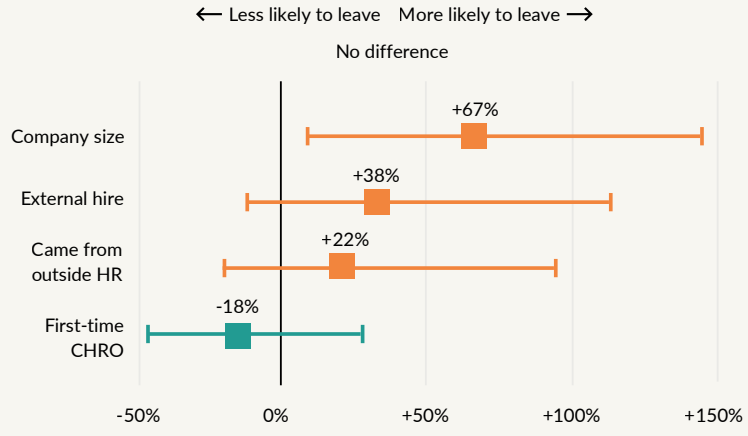
Sitting S&P 500 CHROs have served a median of 3.6 years; 42.0% have been in the seat for less than three.



Source: N2Growth CHRO census, S&P 500, July 2026; 448 with a known tenure. Time in the seat so far, not completed terms.

Company size predicts turnover more than hire type

A CHRO at a typical company in the largest revenue quarter of the S&P 500 is about 67% more likely to leave in any given year than one at a typical company in the smallest quarter, other factors being equal.



Source: N2Growth CHRO census, S&P 500, December 2023 to July 2026; model described in the Methodology. Lines show the range the data allow. Only company size is significant. The other three ranges include no change, and the model also accounts for gender.

> At the largest companies, the CHRO seat turns over faster partly because the role is so visible and so central to a new CEO's agenda. Each transition is a chance to use the search itself to define what the next phase of the business will demand of the people function. The strongest boards then agree with the incoming CHRO on a list of priorities and give the CHRO direct access to the board to deliver them. That clarity shortens the time a new CHRO needs to earn credibility, which matters most in exactly the companies where tenures are shortest.



Trisha Conley
Former CHRO, LyondellBasell

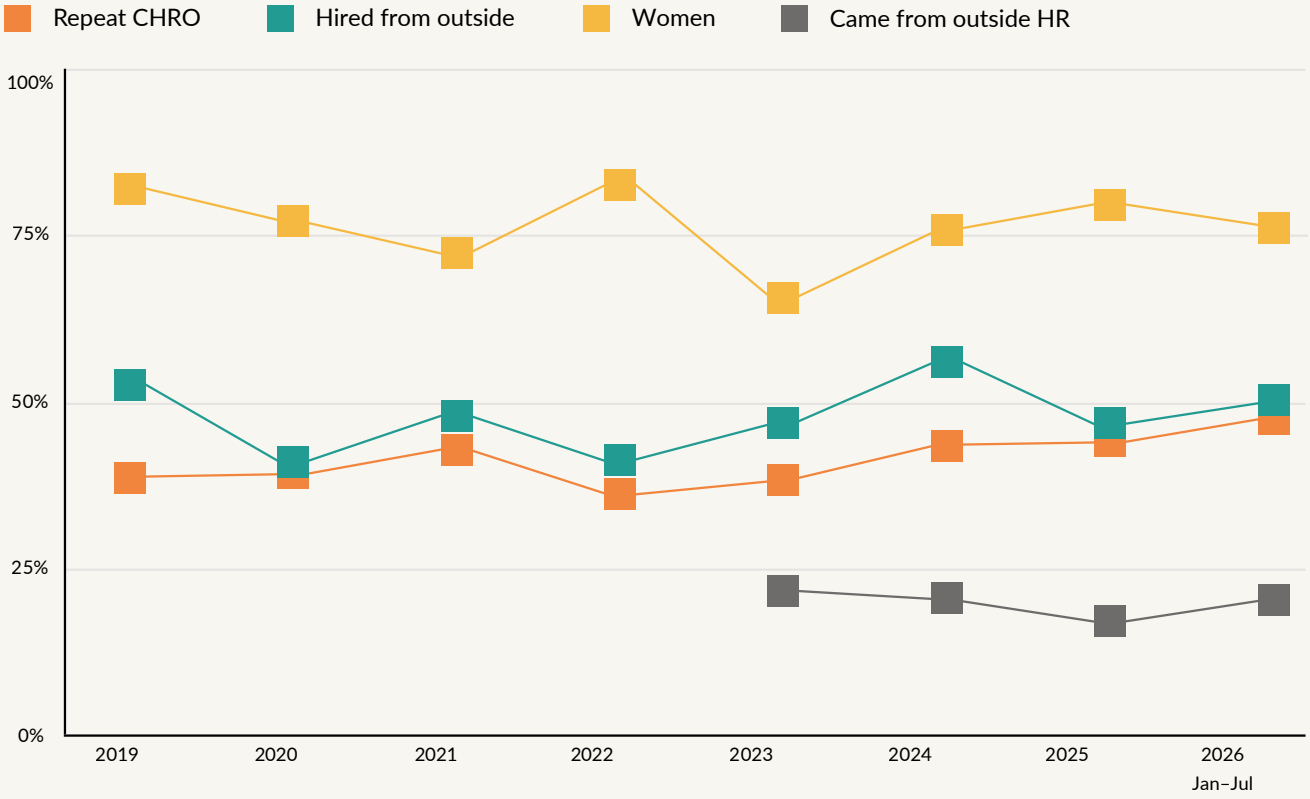
The role is expanding, but the profile of new CHROs has stayed the same

The CHRO role is quickly evolving. Over the past few years, it has moved from being a largely administrative position to becoming a strategic one. Its importance and strategic value are only continuing to grow, as AI becomes a critical issue for organizations and the workforce.

Yet, despite this shift in the shape of the role, the basic contours of who is being appointed have barely changed. Nearly every measurable external feature has held steady, with no statistically significant change in the ratio of internal to external appointments, the shares of first-time and repeat CHRO appointments, the share of CHROs coming from outside HR, or the gender split.

No year since 2019 stands out for outside hires, repeat CHROs, or women

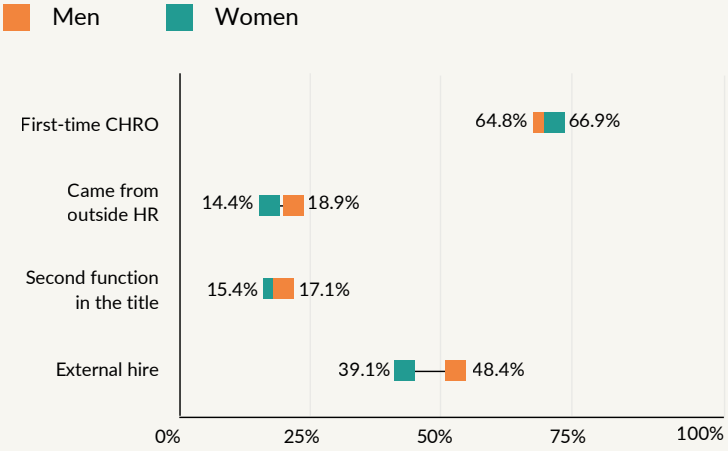
Repeat CHROs made up between 34.8% and 45.9% of S&P 500 appointments in each year from 2019 to July 2026, with no significant change, and the same is true of external hires and women. Since 2023, between 15.6% and 19.7% of new CHROs each year came from outside HR.



Source: N2Growth CHRO census, S&P 500 appointments, 2019 to July 2026. 2019 to 2022 counts only CHROs still in the seat in December 2023.

Women hold most CHRO seats, with career profiles much like men's

39.1% of women and 48.4% of men in the seat were external hires, the widest gap between them, but even that difference is not statistically significant.



Source: N2Growth CHRO census, S&P 500, July 2026; 461 with gender recorded. None of the differences is statistically significant.

Only 34%

of APAC CHROs are women, about half the 71% share in the U.S. and Canada.

CHROs still come largely from HR backgrounds

About three in four first-time S&P 500 CHROs held an HR role three roles before their appointment, four in five held one immediately before, and seven in ten stayed in HR across all three.[7]

One in four held a talent and development role along the way, and one in six a total rewards role. At each step, about half were in a generalist HR role.

> "I learned how an airline works by being on the floor, and that gives you a very different understanding from the one you get in an office.



Kate Gebo
EVP, Human Resources and Labor Relations, United Airlines

[7] Including repeat CHROs, more than 80% of sitting S&P 500 CHROs held an HR role at each step, 85% right before the seat, and 75.5% stayed in HR throughout.

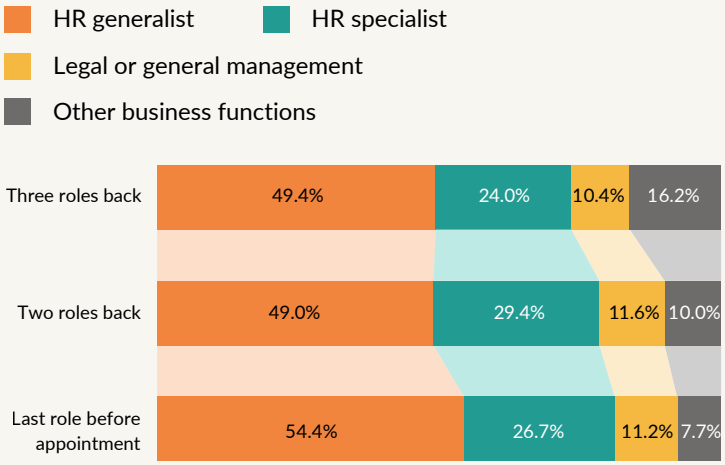


In APAC, 42%

of CHROs came from outside HR, more than double the 16% in the U.S. and Canada and well above Europe's 31%.

What first-time CHROs did before their appointments

Other business functions fall from 16.2% of first-time CHROs three roles back to 7.7% right before appointment.



Source: N2Growth CHRO census, S&P 500, July 2026; 259 first-time CHROs with all three prior roles coded, including HR specialty. Each bar shows the mix at that step, not individual moves. Repeat CHROs are left out because a previous CHRO job is usually one of their three roles.

71% were only in HR roles

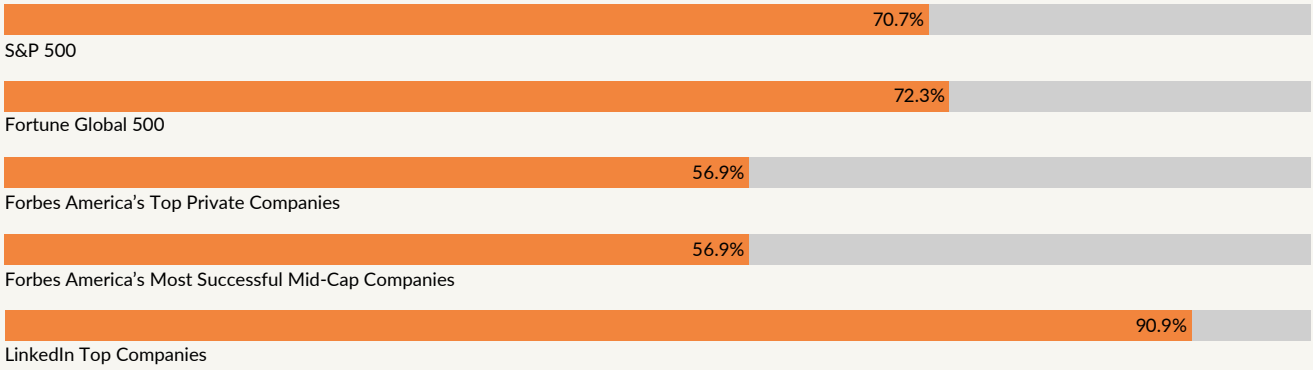
in their three positions before their first CHRO appointment. 27% of all first-time CHROs held a talent and development role at one of their prior three stops and 16% a total rewards role.

Organizations look for internal candidates when appointing a first-time CHRO

Perhaps unsurprisingly, organizations usually hire experienced CHROs when hiring externally and internal candidates when hiring first-time CHROs. CHROs who come from outside the HR function altogether are usually promoted from within. Presumably these internal candidates have existing relationships with the CEO, board, and other C-suite officers that gave them the opportunity and trust necessary to become CHRO, even as outsiders to the HR function.

Most CHROs hired from outside have done the job before

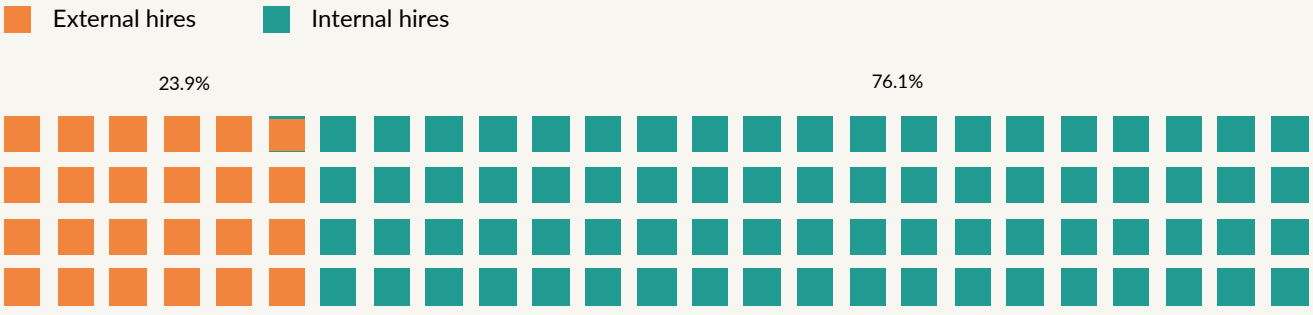
On every list, most CHROs hired from outside had already held the seat. Among the four larger lists, the share runs from 56.9% at the two Forbes lists to 72.3% at the Fortune Global 500, and LinkedIn Top Companies reaches 90.9% on only 11 hires. No list differs significantly from the S&P 500 (70.7%).



Source: N2Growth CHRO census, five lists, July 2026; external hires with first-time status known. LinkedIn Top Companies rests on 11 external hires.

CHROs who come from outside HR are usually internal hires

Of the 71 S&P 500 CHROs who came from outside HR, 54 (76.1%) were promoted from within, 52 of them as first-time CHROs.



Source: N2Growth CHRO census, S&P 500, July 2026; 456 with previous function known.



Interview spotlight

Kate Gebo

EVP, Human Resources and Labor Relations

UNITED

We sat down with Kate Gebo to discuss the business route to the CHRO seat.

What's most important for CHROs who built their careers in HR to learn about the business side?

As you step into the role, learn the economics of the business, starting with how you make money. It sounds basic, but how do you make money? Ahead of earnings, know what is driving the numbers. Understand the major business risks as well, because you cannot advise on risks you do not understand.

On the operational side, you cannot tell people how to manage performance until you have been on the floor of the airport and seen how the teams interact. The floor is where you learn what works and what does not. I think the difference in how I lead HR at United is that it comes from practice more than theory.

I have also surrounded myself with a strong group of HR professionals, because you need that expertise too.

Read the full interview here →

Kate Gebo is EVP, Human Resources and Labor Relations at United Airlines, a role she has held since December 2017. She previously served as SVP, Customer Service Delivery and Chief Customer Officer, overseeing United's customer-facing teams, and before that as VP for the Office of the CEO. Earlier in her United career, she led the corporate real estate organization and held roles in procurement. She also serves as a board member at State Farm.

United Airlines has revenue of $59.1 billion and about 113,200 employees across six continents.

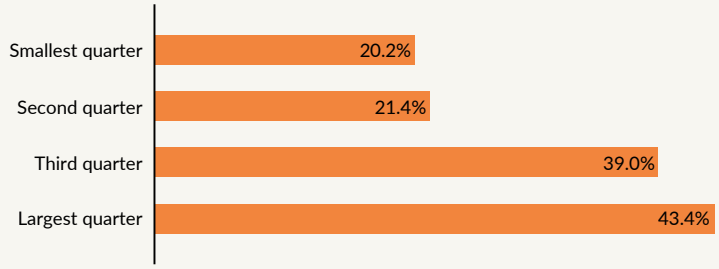
The largest companies hire most often from within

How does size affect the CHRO succession pipeline? The largest companies likely have wider and deeper HR benches, which gives them more internal candidates to choose from. Consequently, the largest companies are more likely to fill the seat from inside than smaller ones. CHROs at the largest quarter of S&P 500 companies are twice as likely as those at the smallest to have spent their last three roles at the company they were appointed CHRO to, and half of CHROs at the smallest quarter were hired from outside, against a third at the largest. Companies on the Forbes America's Most Successful Mid-Cap Companies list hire from outside most of all (70.3%).



The largest companies are the likeliest to appoint a long-time insider as CHRO

43.4% of CHROs at the largest quarter of S&P 500 companies held all three prior roles there, against 20.2% at the smallest.



Source: N2Growth CHRO census, S&P 500, July 2026; 413 with all three prior companies known; quarters by 2025 revenue. A one-company career means all three prior roles at the current company or a linked company.

50.4%

of CHROs at the smallest quarter of S&P 500 companies were hired from outside, compared with 33.6% at the largest.

Where a company is based shapes the profile too. Outside the U.S. and Canada, Fortune Global 500 CHROs are less often women (52.2% against 75.3%), more often from outside HR (34.3% against 15.4%), and newer to the seat (median 2.6 years against 3.6). Each difference is significant after correcting for multiple comparisons.

Forbes Mid-Cap companies hire CHROs from outside far more often than companies on the other four lists

70.3% of CHROs at Forbes America's Most Successful Mid-Cap Companies were hired from outside, against 23.4% to 41.4% on the other four lists; the Fortune Global 500's lower share of women comes from its companies based outside the U.S. and Canada (52.2%, against 75.3% for those based there).

	External hire	First-time CHRO	Came from outside HR	Women
S&P 500	41.4%	66.4%	15.6%	73.3%
Fortune Global 500	32.2%	69.2%	25.6%	61.8%
Forbes America's Top Private Companies	40.3%	73.0%	19.4%	65.9%
Forbes America's Most Successful Mid-Cap Companies	70.3%	58.9%	12.2%	70.3%
LinkedIn Top Companies	23.4%	63.0%	22.2%	80.4%
Global 500, HQ in the U.S. and Canada	37.9%	63.1%	15.4%	75.3%
Global 500, HQ elsewhere	27.8%	75.0%	34.3%	52.2%

Source: N2Growth CHRO census, five lists, July 2026. Each list is counted on its own (1,069 CHROs); counted once each, the five lists hold 906 CHROs. Shares exclude CHROs with a trait unknown. LinkedIn Top Companies rests on 47 CHROs.

Leading scenario

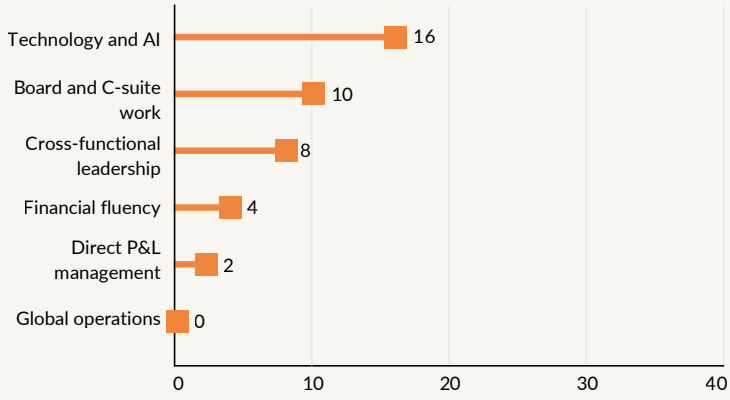
Technology and AI will be first-timers' biggest gap

As discussed above, most of our panel members expect CHROs to be held more accountable for AI outcomes than any other C-suite peer. However, only seven of 462 sitting S&P 500 CHROs held a technology role in any of their last three roles. It's unsurprising, therefore, that our panel most often named technology and AI experience as the most consequential experience gap for first-time CHRO candidates, even ahead of board and C-suite work, which is a perennial one, since leaders outside the C-suite usually have little access to the board and other C-suite leaders.

Our panel most often names technology and AI as first-time CHRO candidates' biggest experience gap

16 of the 40 panelists expect technology and AI to be the most consequential experience gap in first-time CHRO candidates over the next five years.

Survey question: Over the next 5 years, the most consequential experience gap in first-time CHRO candidates will be in:



Alternative scenario

Board and C-suite exposure will stay the harder gap to close

A quarter of our panel listed board and C-suite work as the most consequential experience gap for first-time CHRO candidates over the next five years. This is not an either/or answer, however. The CHRO mandate is growing fast. Most candidates will lack significant technology and AI experience. Given the nature of executive work, most first-time candidates will also lack significant experience working with the board and C-suite. Organizations should prepare for this and create development plans that give identified successors access to both.

Decide

Who should come next, and how should today's CHROs grow?

CHRO turnover is regular enough that every organization should have a succession plan in place, with internal and external candidates identified. Longer-term development plans should also be in place for top levels of HR leadership, so the organization has a strong pipeline of candidates for years to come. Those plans, for both the short and the long

> "Boards are starting to look for CHROs with AI experience, though the profile that serves them best is rarely a technologist. The strongest candidates we see have led a technology-driven change as business leaders, redesigning roles and workflows around a new system and bringing people through it. When a new CHRO arrives without that experience, the best CEOs build it in deliberately, pairing the CHRO with the CIO on a visible AI program in the first year. This approach is recycled from successes in the last era of digital transformation. Within a few years, that partnership can produce a people function that unlocks technology to supercharge talent.



Sandra Birnie
Director, N2Growth

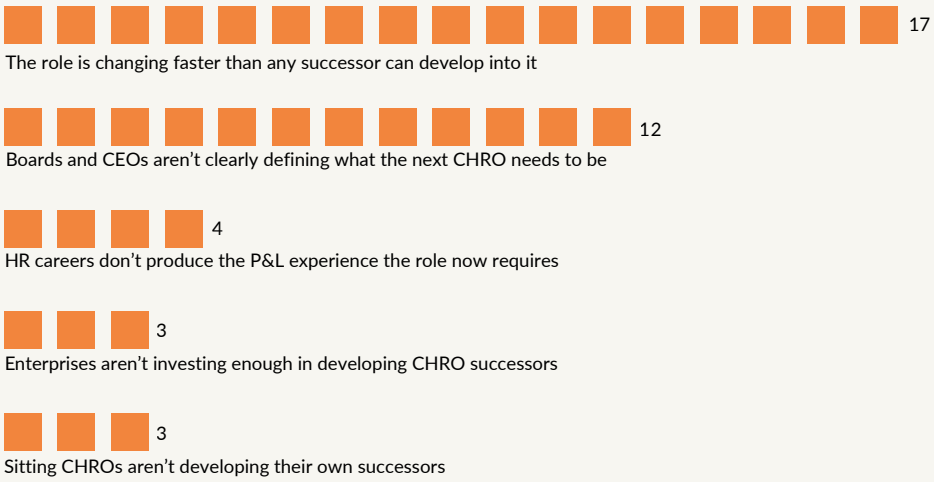
term, should be designed to prepare candidates, and the organization, for the role as it will exist in five years, when technology and AI leadership will be needed alongside board and C-suite experience.

We also asked our panel about the biggest obstacle to CHRO succession planning today. The common thread was that the future of the role is unclear. Twenty-nine of the panelists chose either that the role is changing faster than successors can develop into it or that boards and CEOs aren't clearly defining what the next CHRO needs to be. Beyond technology and AI experience on the one hand, and board and C-suite experience on the other, the skill the next CHRO may need most is the ability to adjust quickly as the role's demands change.

Our panel sees the role changing faster than successors can develop as the top succession obstacle

17 of the 39 panelists who answered name a role changing faster than any successor can develop into it as the biggest obstacle to CHRO succession planning today.

Survey question: Which is the biggest obstacle to CHRO succession planning at most large enterprises today?



Source: N2Growth 2026 CHRO panel; 39 of 40 answered.

Part 1 conclusion

The CHRO mandate is expanding faster than the normal pipeline into the role

Managing AI and the workforce is becoming a major part of the CHRO's job, whether or not the CHRO is held more accountable for AI outcomes than any other C-suite peer. The normal pipeline into the role hasn't had time to adapt to the new expectations for the role. Expectations are unclear, but, as HR departments adopt and implement AI, leaders will emerge who have experience redesigning work around AI and serving as business partners to implement AI strategies.

Organizations should intentionally grow and promote these leaders, putting them in a position to understand and lead on AI. CHROs and aspiring CHROs should look to gain these experiences and lead. Candidates who have proven themselves may be few at first, but, as AI spreads through the workforce, more will emerge.



Part 2

The future of work

Chapter 3

Is AI waiting on the CHRO?

We asked last year's panel about their expectations for what AI could automate in HR. Most expected AI to automate half or more of HR service delivery within 12 months. When we checked with this year's panel about what is already AI-automated, we found that last year's expectations, albeit from a different group of panelists, seem to have been overly optimistic.

Interestingly, however, this year's panel holds about the same expectations as last year's panel regarding how much of HR's process work will be AI-automated in the next 12 months. Both panels, in other words, have high expectations for the next 12 months, but we can now see last year's panelists' expectations were overly ambitious. HR processes, it seems, are harder to automate with AI than expected. Are this year's panelists' expectations overly optimistic too, or were last year's panelists just 12 months early?

Expected scenario

Most HR processes will be at least half automated within five years

We asked our panel about their expectations regarding AI automation across seven core HR domains (talent acquisition and internal mobility; workforce planning and skills intelligence; performance, learning, and leadership enablement; HR service delivery and frontline productivity; people analytics, risk, and reporting; total rewards and workforce cost optimization; and employee and labor relations). For each, they said whether AI automates 50% or more of its process steps today and, if not, whether they expect it to within 12 months and within five years.

Looking five years out, 33 to 38 of our 40 panelists expect half or more of the process steps to be automated in six of the seven domains. More than a third of our panelists expect half or more of the steps automated within 12 months in four of the seven domains.

Our panel expects AI to take over much of HR's process work within five years

In six of seven HR domains, 33 to 38 of the 40 panelists expect half or more of process steps to be AI-automated within five years; in employee and labor relations, 14 do.

Survey question: For each domain below, do you expect that 50% or more of process steps are or will be AI-automated in your organization within the timeframes shown? (today, next 12 months, by 5 years)

	Today	Within 12 months	Within 5 years
Talent acquisition and internal mobility	8%	30%	90%
Workforce planning and skills intelligence	5%	35%	90%
Performance, learning, and leadership enablement	10%	40%	88%
HR service delivery and frontline productivity	28%	70%	93%
People analytics, risk, and reporting	10%	60%	95%
Total rewards and workforce cost optimization	5%	23%	83%
Employee and labor relations	3%	10%	35%

Employee and labor relations is the exception. Only 14 of the 40 panelists expect half or more of its steps to be automated within five years. Everywhere else, the near-term task is redesigning HR roles, and reskilling the people in them, before the automation arrives.

> "I firmly believe AI is the moment for HR. The nature of the work is going to change, and HR leaders should see AI as an opportunity to create capacity for higher-value work, not just to increase productivity.
>
> 
>
> **Robert Massy**
> SVP, Chief Human Resources Officer, PPG

Signal

AI is arriving more slowly than HR expected

In HR service delivery, 24 of last year's 35 panelists expected half or more of the steps to be automated by now, yet only 11 of this year's 40 report it in place, against nine of 35 a year ago. Because the figures come from two different panels, we treat them as signals rather than as one panel revisiting its own estimates.

The same gap appears across all seven HR domains. Averaged across them, 37% of last year's panelists expected half or more of the process steps to be automated within 12 months, and 38% of this year's panelists expect the same. The share already in place has stayed at about one in ten, 11% last year and 10% this year.

> Start with HR's own function, and treat it as the proving ground before asking the rest of the enterprise to change. Redesign the work end to end, from how an opportunity to contribute surfaces in HR to how a decision leaves it, and only then choose the tools. Then measure what changes for employees and managers, because that is the evidence the rest of the C-suite trusts. To get started, you need trusting relationships across the business, a commitment to listen, and a mandate to create value for the whole business. From there, a single high-volume process is enough to start, and what you learn rebuilding it can set the pace for the rest of the function.



Trisha Conley
Former CHRO, LyondellBasell

Our panel reports little AI automation gain in HR, well short of last year's expectations

In HR service delivery, 9 of 35 panelists reported half or more of process steps AI-automated last year and 24 of 35 expected it within 12 months; this year, 11 of 40 report it. The other six domains follow the same pattern.

Survey question: For each domain below, do you expect that 50% or more of process steps are or will be AI-automated in your organization within the timeframes shown? (today, next 12 months, by 5 years)



Source: N2Growth 2025 and 2026 CHRO panels. Counts in place are small, 1 to 11 of 40 this year and 2 to 9 of 35 last year, so read the change as a signal.

Leading scenario

Unchecked AI agents will be the most common cause of high-profile AI failures

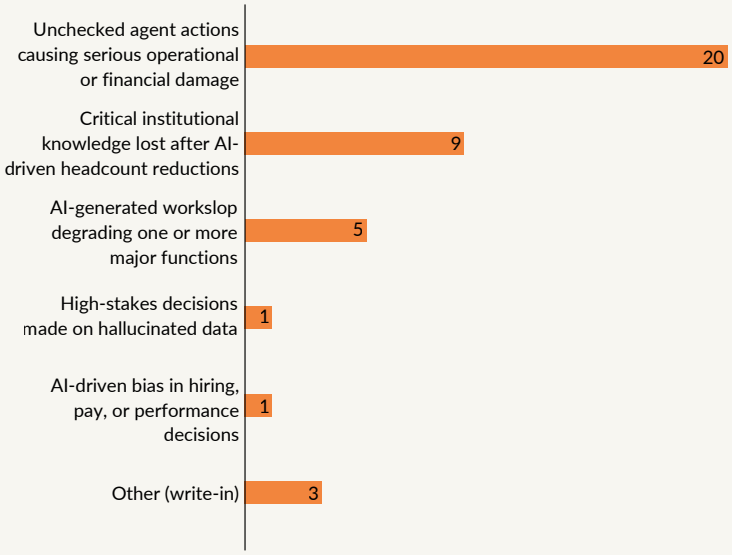
Unlike the security risks brought by digital technologies, which usually belong to the CIO or CISO, many of the organizational risks with AI are thickly intertwined with the very way people work. Consequently, those risks may become a part of the CHRO's remit.

With that in mind, we asked our panel what they see as the most common cause of high-profile AI failures. A small majority (20 of 39) chose "unchecked agent actions causing serious operational or financial damage," followed by "critical institutional knowledge lost after AI-driven headcount reductions" (9) and "AI-generated workslop degrading one or more major functions" (5). Hallucinated data and AI-driven bias drew only one vote each.

Unchecked AI agents top our panel's list of likely causes of high-profile AI failures

20 of the 39 panelists who answered named unchecked agent actions as the most common cause of a high-profile AI failure in five years, against 1 each for hallucinated data and biased decisions.

Survey question: In 5 years, the most common cause of a high-profile AI failure at large enterprises will be:



Source: N2Growth 2026 CHRO panel; 39 of 40 answered.

Alternative scenario

Knowledge debt will become the more common failure

In this alternative scenario, a more common cause of failure than unchecked AI agents is the damage that is done when organizations cut too many roles and lose institutional know-how that can't easily be replaced or backfilled with AI. Here, companies that make large reductions in their workforces may need to rehire into the roles they cut after experiencing costly errors.





Interview spotlight

Robert Massy

SVP, Chief Human Resources Officer

We sat down with Robert Massy to discuss where responsibility for AI should sit in the C-suite.

You've led HR alongside other functions, so you've seen firsthand how responsibility gets divided across the C-suite. Some companies give AI transformation to the CHRO, while others give it to the CIO or a CAIO (Chief AI Officer). Where should AI transformation live, and when should it sit with the CIO or CAIO rather than the CHRO?

There is an element of AI that is still very much in the CIO's purview, such as governance and cybersecurity, and the tech stack it has to fit into.

But AI is also about jobs, how work gets done, and how organizations adapt to that change, so a very large element of this sits with HR. Even so, I believe the primary owner is the business. Whether you are a technical company or a professional services firm, the work and the product belong to the business.

So I put those three in a Venn diagram: HR, the CIO, and the business each have a role, and I think success depends on all three working together.

Robert Massy is SVP and Chief Human Resources Officer at PPG, a role he has held since March 2024. He previously served as EVP, Chief Administrative Officer (CAO) at Westinghouse Electric Company, where he was also CHRO from 2017 and joined as Chief Talent Officer in 2015. Earlier in his career, he was Global Head of Talent and Development at Weatherford International after leading talent for the company in Asia-Pacific.

PPG has revenue of $15.9 billion and more than 40,000 employees, operating in more than 50 countries.



Decide

Who should lead the organizational side of AI?

AI does not seem to be automating core HR processes as quickly as last year's panelists expected. If CHROs haven't been able to automate the work in their own departments, should they be expected to lead the organization's AI efforts? On the other hand, much of the risk AI brings falls naturally within HR's responsibilities. The CHRO and their teams know how to supervise work and understand the role institutional knowledge plays in company culture and success. Is AI waiting on HR, or is there someone else in the organization, such as the CIO, who should be expected to lead?

Why you might choose either. The failures our panel expects most, unchecked agents and lost knowledge, seem to be a natural match for CHRO oversight. CHROs already own role design and track headcount, including departures. A technology or operations leader fits, on the other hand, because agents are technology, which the CIO is used to governing. Furthermore, while AI risks might be new, CIOs are already focused on technological risk.

How to decide. Before the first incident, name an owner for each failure the panel expects, including who signs off on cuts that could take knowledge with them. Ask for regular reporting to the board on both risks, as you would for cyber risk.

Chapter 4

How will work get done?

General purpose technologies, like electricity, the computer, and now AI, change how work gets done. The outstanding question is how the work will change, and how soon that change will come.

Our panel of leading CHROs expects AI to change the shape of work soon. Most expect roles to be rebuilt around AI within five years, and only one of the 40 expects AI to add headcount. For boards and CEOs, the questions are how to redesign work and what will set their companies apart.

Expected scenario

Roles will be rebuilt around AI

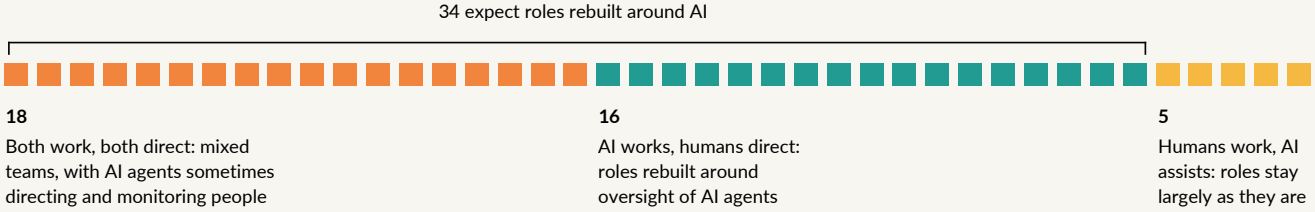
How will AI change work? Will workflows stay largely the same, with employees becoming more productive through personal AI assistants that handle mundane tasks? Will roles be rebuilt, shifting humans from being the ones who execute work to being supervisors of the agents that do it instead? Or will the future consist of mixed human-AI teams, with people sometimes directing agents and agents sometimes directing people?

The panel split almost evenly on who directs whom, with 18 of the 39 who answered expecting mixed teams and 16 expecting roles rebuilt around people directing agents. In both cases, they expect work to be redesigned.

Our panel expects jobs rebuilt around AI, but splits on whether agents will direct people

34 of the 39 panelists who answered expect roles rebuilt around AI: 18 foresee mixed teams in which agents sometimes direct people, and 16 foresee people directing agents that do the work.

Survey question: In 5 years, the dominant model of human-AI work will be:



18
Both work, both direct: mixed teams, with AI agents sometimes directing and monitoring people

16
AI works, humans direct: roles rebuilt around oversight of AI agents

5
Humans work, AI assists: roles stay largely as they are

Source: N2Growth 2026 CHRO panel; 39 of 40 answered. "Rebuilt around AI" combines the first two answers.

Five of the 39 expect roles to stay largely as they are, with AI working as a personal assistant. However the split resolves, who directs whom and how agents are supervised become design choices the CHRO cannot leave to technology teams alone.

Expected scenario

AI will not grow headcount, and many expect cuts

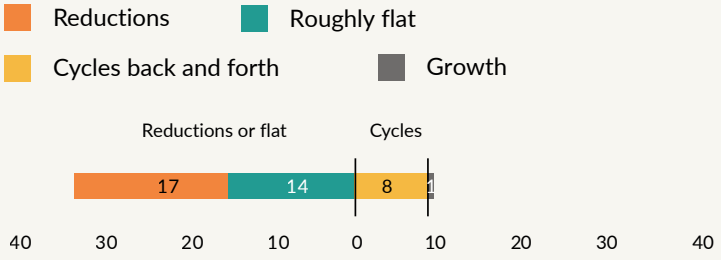
One of the biggest questions for organizations and the future of work is AI's effect on headcount. Will AI lead to dramatic reductions, as many in the media are predicting? Or will headcount hold steady or even grow, as others have argued is typically the case with the introduction of new technologies?

What does our panel of leading CHROs expect? Only one of our 40 panelists expects AI-driven headcount growth.

Our panel expects AI to shrink headcount or hold it flat, with only one panelist expecting growth

31 of the 40 panelists expect headcount to shrink or stay flat; 8 expect a cycle of cuts followed by rehiring or growth in headcount followed by cuts.

Survey question: Which AI-driven headcount pattern will be most common in 5 years?



Source: N2Growth 2026 CHRO panel. Reductions combine cuts of 6% to 19% and of 20% or more; cycles are reductions followed by rehiring, or growth followed by reductions.

> "AI may change work more than any technology before it, and no one knows how far it will go. When a technology is that hard to predict, the surest bet is the people who can adapt as it unfolds. So to grow durably, use AI first to expand what your people can do, not only to do today's work with fewer of them. Be honest that roles will change, some completely, and invest early in helping people move into what comes next. Your competitors have access to the same tools. What they don't have is your people's point of view, relationships, and trust.



Tony Morales
Chairman, N2Growth

> We aim to automate the routine so we can invest more time in these moments that matter to our associates and leaders.
>
> 
>
> **Anita Ryan**
> Chief Human Resources Officer, Ulta Beauty

Alternative scenario

Headcount will stay roughly flat

Many organizations and CHROs expect some degree of AI-driven headcount reductions. Our panel is far from unanimous on the point, however. More than a third expect headcount to stay roughly flat.

Research suggests that AI may prove most beneficial when it is deployed to empower workers and find new growth,[8] and this finding is something CHROs should carry to the board and CEO. Cuts may promise immediate savings, but long lasting growth and value may be most associated with firms that use AI to boost capacity.

Leading scenario

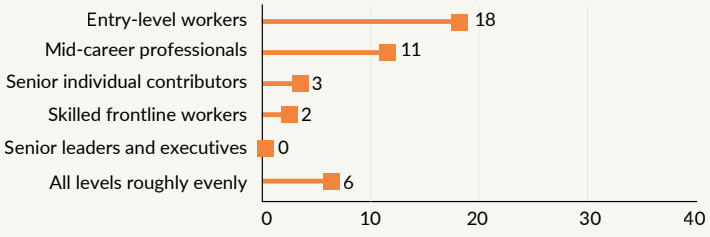
Entry-level workers will be hit hardest by AI

Which layer of the organization is most at risk from AI? In our leading scenario, entry-level workers are named as the class of employees most at risk. Conversely, none of our panelists named senior leaders and executives. Much of the routine work AI handles best, from drafting to first-pass analysis, is done in entry-level jobs. If AI takes over much of that work, companies will need new ways to develop the experts and leaders of the next decade, since current pipelines often depend upon the knowledge gained at the start of a career.

Entry-level workers will likely face headwinds

More panelists named entry-level workers as most exposed to AI than any other segment of the workforce (18 of 40).

Survey question: Which segment of the workforce will face the biggest employment challenges due to AI over the next 5 years?



[8] Jeremy Korst, Stefano Puntoni, and Prasanna Tambe, "The adaptive advantage: Who's winning with AI and how," Wharton Human-AI Research and GBK Collective, October 2026.

Alternative scenario

Mid-career professionals will be hit hardest

Entry-level work varies widely by industry and company, and in many cases it may prove harder to replace than mid-career work. Eleven of the 40 panelists named mid-career professionals as most exposed, and six said all levels are exposed roughly equally.

This alternative scenario, where mid-career professionals are more exposed to AI risk than entry-level workers, will occur if AI proves better at the knowledge work performed in many mid-level roles than at the varied, hands-on work of many entry-level jobs.





Interview spotlight

Anita Ryan

Chief Human Resources Officer

We sat down with Anita Ryan to discuss leading HR through change from the inside, and how frontline careers can grow from an entry-level start.

How are frontline workers' expectations changing? What have you seen over the course of your career, and where are you now seeing movement?

When I first started, we were very much in the early stages of building our team, both across the field and in our corporate office. Since that time, the core expectations of associates have not changed. They want to be heard, respected, trained, and developed. If you want to get the talent, you have to invest in those things. What has changed is how our associates learn. For example, quick micro learnings on a mobile platform are often more effective in the moment than big occasional offsite training sessions.

From a career path standpoint, retail may often be an entry point, but it is also a long-term career play. We have so many stories of associates who began as beauty advisors and are now running stores or districts across the country. Today, my team is helping to build an internal growth path that emphasizes skills that are transferable across the business, coupled with a thoughtful and structured succession planning process.

Read the full interview here →

Anita Ryan is Chief Human Resources Officer at Ulta Beauty, where she leads Ulta Beauty's people strategy and innovation, including oversight of the company's people success business partner team and centers of excellence in each area of HR specialty. She was named CHRO in 2022 after serving for more than 20 years in HR leadership roles with the company. She also serves as President of the Ulta Beauty Charitable Foundation.

Ulta Beauty is the largest specialty beauty retailer in the U.S., with more than 1,500 stores and revenue of $12.4 billion in FY2025.

Leading scenario

When tools are equal, culture will set companies apart

In some ways, AI will function as a great leveler. As a general purpose technology, it can be used by any firm. Insofar as it can be used to design bespoke technology, for example, it will lower many previously steep barriers to entry. As such, AI raises the differentiator stakes. How will companies set themselves apart when barriers to entry are low and previously scarce knowledge is widely available? On the whole, our panelists believe culture and executive vision and judgment will most likely set firms apart.

If culture becomes a major differentiator, it may be one of the primary ways CHROs add to enterprise value. And if AI agents do end up directing and supervising people, as the 18 panelists who expect mixed teams of people and agents envision, organizations will also need to consider how those agents shape culture, from their "personality" to how their language and interactions affect the way people work.

When every company has the same AI tools, our panel expects culture to be the differentiator

19 of the 40 panelists expect business differentiation to come most from culture when everyone has the same AI tools.

Survey question: When everyone has the same AI tools, business differentiation will come most from:



19	13	6	2
The culture that pervades the organization	Executive vision and judgment	Frontline execution and customer service	Managerial translation and coordination

Alternative scenario

Executive vision and judgment will set companies apart

Executive vision and judgment may be more important than culture. The opportunities and challenges wrought by AI are likely to be successfully met by executive vision and judgment, perhaps even more so than in the past. If barriers to entry are lowered and new markets open, organizations will need to decide which opportunities are right for them, and when and how far to pursue them.

In this scenario, choosing where to play is more important than how the company works. The question is whether the organizations that gain the most from AI will be the fastest movers into new markets or those with the strongest cultures.

Expected scenario

Hiring will prioritize how candidates solve problems

How will AI change hiring? Skills? Values? Track record? Problem solving? In the world of AI, previous experiences, skills, and earned knowledge will be less likely to set candidates apart. Indeed, many current skills and sets of knowledge will likely become nearly obsolete.

Our panel of leading CHROs expects the way candidates solve problems to matter most in hiring decisions (33



of 40), well ahead of what candidates can do (skills, 3), what motivates them (values, 4), and what they have delivered (track record, 0). Hiring processes designed around credentials and track records should be updated to focus more on testing how candidates think and solve problems.

33 out of 40

CHROs on our panel expect how candidates solve problems to matter most in hiring at large enterprises in five years. None chose track record.

Open question

Will cognitive surrender become widespread?

In seconds or minutes, AI can often produce a polished, plausible answer or deliverable that would take a person hours or days to finish. This fact is why so many people think the rise of AI will lead to widespread layoffs. But there is another issue too. Oftentimes AI output isn't correct, or at least not as good as its polished product suggests. Nevertheless, as AI is incorporated into workflows, the speed of its operation as well as the illusion of competence its level of polish and confidence creates often leads people to accept its results without judgment. Researchers have found that, over the course of time, this "cognitive surrender," the handing over of thought to AI, inhibits and erodes people's very ability to think critically for themselves.[9]

Our question was how deep and widespread a problem cognitive surrender will become. When we asked our panel, they gave us a split verdict.

[9] Steven D. Shaw and Gideon Nave, "Thinking—Fast, Slow, and Artificial: How AI is Reshaping Human Reasoning and the Rise of Cognitive Surrender," The Wharton School Research Paper, January 11, 2026.

Scenario 1

Cognitive surrender will become a widespread problem

Nearly half the panel (17 of 39) expects cognitive surrender to become widespread, which should give leaders across the C-suite pause, CHROs included. AI brings powerful new tools, but it may also bring workforce problems no one has faced before. It may become something like the cybersecurity risks digital tools introduced.

Scenario 2

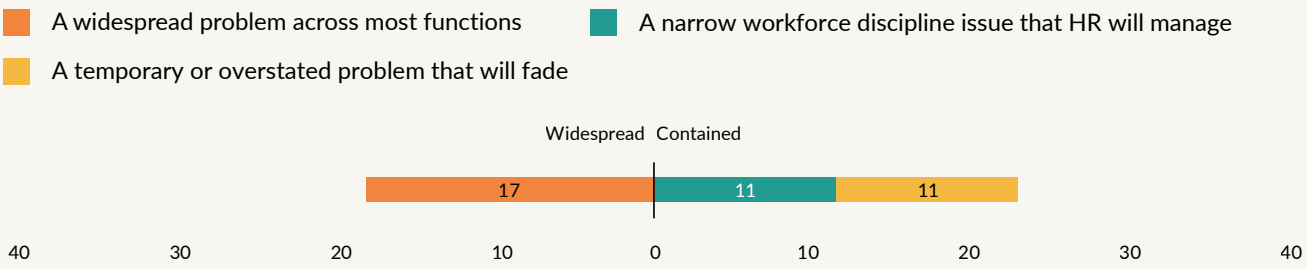
Cognitive surrender will stay a limited problem

Others see it as narrower, either a workforce discipline issue HR will be asked to manage (11) or a temporary or overstated problem that will fade (11). Either way, CHROs will need ways to see whether AI is eroding judgment at work before it shows up in costly errors.

Our panel splits on whether workers' uncritical acceptance of AI will become widespread

17 of the 39 panelists who answered expect cognitive surrender to become a widespread problem across most functions; 22 expect it to stay contained, as a narrow issue HR manages (11) or a passing one (11).

Survey question: Over the next 5 years, "cognitive surrender" (workers uncritically accepting AI outputs) will be:



Source: N2Growth 2026 CHRO panel; 39 of 40 answered. "Contained" combines the narrow-issue and passing-problem answers.

Decide

How will work get done in your company?

Our panel expects roles to be rebuilt around AI but splits on who will direct whom, and it names entry-level workers as the most exposed level of worker.

Why you might choose either. Mixed teams, with agents assigning and sequencing routine work, take coordination load off managers and move work faster, but agents need clear rules on when people, even those the agents supervise, can overrule them. Keeping people in charge of agents preserves accountability and develops judgment, since every agent's output passes through someone who answers for it. But it asks more of each person just as AI removes many of the entry-level tasks where judgment used to be learned. It may also limit how much AI can do.

How to decide. Start from the work itself, task by task. Decide where people will learn judgment once entry-level tasks are automated, and continue hiring at the entry level so the pipeline stays full.

Part 2 conclusion

Moving fast on AI takes capacity that expected cuts remove

Many expect AI to reduce headcount, and 17 of our 40 panelists expect lasting cuts. The risks the panelists believe will be most common, unchecked agents, lost knowledge, and cognitive surrender, require people who possess the time and knowledge to supervise work, grow deep in their knowledge of the firm and its people, and think critically about every aspect of the work.

Research on organizational slack finds that innovation needs some spare capacity.[10] Too little, and there's no room to experiment and grow. Organizations that cut their workforce too deeply risk removing the capacity necessary for redesigning work, safeguarding the organization against risk, and innovating toward the future. We believe the firms, CHROs, and aspiring CHROs that use AI to add capacity will pull ahead and win the AI race.



[10] Nitin Nohria and Ranjay Gulati, "Is Slack Good or Bad for Innovation?" Academy of Management Journal, October 1996.

What's next?

Action items for boards and CEOs, current CHROs, and aspiring CHROs

For boards and CEOs

1. You are likely to hold your CHRO accountable for something you have never evaluated before.

   Twenty-four of our 40 panelists expect the CHRO to answer for AI outcomes more than any other C-suite peer, but hiring has not yet caught up. Only seven of 462 sitting S&P 500 CHROs held a technology role in their last three roles, and the profile of new appointments has not changed significantly since 2019.

   At your next appointment, decide whether AI accountability sits with the CHRO, and rewrite the specification to match. The market will not supply that experience by default, since more than four in five CHROs arrive straight from an HR role without technology experience.

2. You will likely appoint a new CHRO in the next five years.

   About one in seven S&P 500 CHRO seats changes hands each year, and nearly two in three sitting CHROs (62.5%) took the seat in the past five years. Turnover is fastest at the largest companies, which also fill the seat from inside most often, promoting two in three of their CHROs from within.

   If your company is in the largest quarter of the S&P 500 by revenue, prepare your next CHRO for AI through development, naming at least two internal successors and readying them for the role as it will be in five years, while also identifying an emergency successor and an external successor. If it is in the smallest quarter, where half of CHROs are hired from outside and succession plans are less durable, prepare for the search by writing the AI and technology requirements into the specification, while also naming at least two internal successors, an emergency successor, and an external successor.

3. Your organization is likely to face AI failures from workforce risks that the board rarely reviews, just as CHROs are spending less time with boards and CEOs than they did last year.

Of the 39 panelists who answered, 20 named unchecked agent actions and nine named knowledge lost after AI-driven cuts as the most common cause of a high-profile AI failure, and cyber reporting rarely covers either. At the same time, 36% of this year's panel spend six or more hours a week on CEO and board advisory, against 48% of last year's.

Have your CHRO report regularly on both risks, starting with where AI agents act without human review. Approve no AI-driven workforce reduction without the CHRO's plan to retain knowledge and keep the entry-level pipeline full. Enhance your operating rhythms and board agendas to include more standing time with your CHRO.

For current CHROs

1. HR's work is taking longer to automate than leading CHROs predicted.

   Last year, 24 of the 35 CHROs on our 2025 panel expected half or more of HR service delivery to be AI-automated within 12 months. This year, 11 of our 40 report it, and 28 again expect it within a year.

   Name specific HR processes to automate, set a 12-month automation target you can hit, and upwardly publish the results. Promising more than HR delivers on its own automation is one way "too slow on AI" gets pinned on a CHRO, and 38 of our 40 panelists see moving too slowly as a significant career risk for CHROs.

2. Choosing your HR leadership team may be your most consequential AI decision.

   As AI takes more of your week, your team will have more responsibility for running HR. Twice as many of this year's panelists spend six or more hours a week on AI as last year's did (49%, against 24%), and fewer spend that much time leading HR (43%, against 71%).

   Choose an HR leadership team that can run HR day to day, and give them real decision rights now, so your time can go to the AI questions where the board and CEO most need your judgment. Agree on which decisions are theirs, and institute an operating rhythm to revisit the split as your AI role grows.

3. Many of your peers expect culture to set companies apart, yet almost none see it as where the CHRO adds the most value.

   With the same AI tools available to every company, 19 of our 40 panelists expect culture to set companies apart, but only two named culture as the CHRO's biggest contribution to enterprise value.

   Claim culture as your agenda, including the culture AI agents create when they direct people in mixed teams, which 18 of 39 panelists expect. No other member of the C-suite is as well placed to own it.

For aspiring CHROs

1. CHROs still mostly come through careers in HR, but need business experience to succeed in the role.

   Of first-time S&P 500 CHROs, four in five held an HR role right before their appointment, most often a generalist HR leadership role (about half). Once in the seat, the work turns commercial, and 15 of our 40 panelists already spend six or more hours a week on business and P&L leadership.

Build business breadth inside HR, through business-unit HR roles with P&L exposure and work on major deals.

2. Technology and AI experience will set you apart.

   Only seven of 462 sitting S&P 500 CHROs held a technology role in their last three roles, and 16 of our 40 panelists name technology and AI as the most consequential gap in first-time candidates.

   Lead the AI redesign of major HR initiatives and own their results. Few candidates for the seat will be able to show the same.

3. Your first CHRO seat will most likely come from inside your own company.

   Four in five first-time S&P 500 CHROs were promoted from within, and seven in ten external hires had held the seat before.

   Treat your company's succession process as more important to you than the search market, and work to become a named successor.



About

Methodology

Our panel of leading CHROs

The panel consisted of 40 leading CHROs. We fielded our questions in September and October 2026, using a Delphi-style method with one anonymous round of 15 forced-choice questions. We report the answers as counts and splits, read against how strongly the panel agrees, and do not test them statistically. An expected scenario is one that at least seven in ten panelists share. A leading scenario is the most common answer without that level of agreement, and the alternative scenario is the main competing view. An open question marks a split with no clear leading view. Unless otherwise noted, panel charts report the answers of all 40 members of N2Growth's 2026 CHRO panel.

Some charts compare this year's panel with the 35 leading CHROs we surveyed last year. Because the two panels are not the same people, we treat differences between them as signals rather than trends.

The quantitative analysis

The quantitative analysis (the census) records one CHRO per S&P 500 company, the executive who leads HR for the whole company. Interim and acting heads are not counted. The census follows the S&P 500, held at its 2026 membership, at four snapshots from December 2023 to July 2026, covering the 168 departures between them. The source data is drawn from company filings, websites, announcements, and a proprietary third-party database.

Bases vary slightly from chart to chart, since each figure counts only the CHROs for whom that trait or answer is known, and percentages are rounded. Tenure is time in the seat so far. Appointments before December 2023 are seen only through CHROs still in the seat, which is why some figures start in 2023. Career analysis classifies the three roles each CHRO held before the seat by function and, for HR roles, by specialty.

Beyond the S&P 500, we looked at the 444 CHROs in the seat in July 2026 at companies on four other lists: the Fortune Global 500, Forbes America's Most Successful Mid-Cap Companies, Forbes America's Top Private Companies, and LinkedIn Top Companies. Together with the S&P 500, these lists make up the N2Growth composite index, which counts each of its 906 companies with a CHRO once; those companies are headquartered in 34 countries and territories. The census's more than 1,000 CHROs are the 906 in the seat in July 2026 plus the S&P 500 CHROs who left after December 2023. Regions follow the Fortune Global 500's headquarters country, except that every S&P 500 company counts as U.S. and Canada. Asia-Pacific (APAC) covers Australia, China, Hong Kong, India, Indonesia, Japan, Malaysia, Singapore, South Korea, and Taiwan. Latin

America and the Middle East have too few CHROs to report. Where the paper sets the lists side by side, each list is counted on its own. Except where other titles are named, we use CIO (Chief Information Officer) as shorthand for a company's most senior technology leader, whatever the title.

Statistical tests

We test census comparisons with chi-square tests (with a continuity correction where two shares are compared), Mann–Whitney tests for medians, and McNemar tests where the same CHROs are compared across career steps. Most logistic regressions for hiring and careers take sector and the log of 2025 revenue into account. The model of how soon a CHRO leaves is a Cox survival model of 546 tenures, including 142 of the 168 departures (those with the data the model needs). It is left-truncated at the December 2023 snapshot, dates exits midway between snapshots, and takes sector and gender into account. Across the full set of tests, including those for findings we chose not to report, we control the false-discovery rate at 5% with the Benjamini–Hochberg method. Every census difference in the main text passes in a main family of 71 tests, and the sidebar differences pass in a family of 91 that adds the 20 sidebar tests. A stricter family of 88 tests, which adds every other term from our regression models to the main 71, also keeps every main-text difference. Differences that do not pass these tests are not reported as findings. Where lists or regions sit side by side, differences are descriptive unless the text or figure reports a test. Detailed tables and model results are available from N2Growth on request.





Authors



Tony Morales
Chairman
Lead author
t.morales@n2growth.com
Miami, FL and Chicago, IL



Trisha Conley
Former CHRO, LyondellBasell
Houston, TX



Sandra Birnie
Director
s.birnie@n2growth.com
Vancouver, BC



Steve Manning
Managing Partner, Singapore
s.manning@n2growth.com
Singapore

Editorial team

Phillip Webster, Senior Fellow, Leadership Insights | Lead Editor
Alexa Rappaport, Senior Marketing Manager | Project Lead
Kailyn Kleppe, Marketing Coordinator | Design
Ramakant Balodi, Knowledge Manager | Research

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