ARTIFICIAL INTELLIGENCE | M1 Insight

Davos 2026: What Talent and HR Leaders Should Take Away

Larry Emond, M1 Community Lead

3 Min Read | February 5, 2026

This year, 15 members of the M1 CHRO community were on the ground in Davos, engaging directly with global leaders on the future of work, technology, and talent.

Davos 2026 marked a clear inflection point in the global conversation about work. While artificial intelligence and economic uncertainty dominated headlines, a recurring concern cut across panels and private discussions: **technological disruption is not affecting all workers equally**, and younger workers and new labor-market entrants are bearing a disproportionate share of the impact.

For CHROs, this is no longer a distant policy debate. It is a near-term talent risk.

People Strategy Is Now Core Strategy

One of the most notable shifts at Davos was how explicitly workforce investment was framed as an economic priority. Talent, skills, and employability were discussed alongside growth, productivity, and competitiveness — not as supporting elements, but as foundations.

The implication is clear: **people strategy is no longer downstream of business strategy — it *is* business strategy.** Organizations that fail to invest systematically in skills, internal mobility, and workforce adaptability will struggle to execute growth agendas, regardless of capital or technology.

AI Disruption Is Hitting Entry-Level Roles First

AI was discussed less as a future possibility and more as a present force reshaping jobs. IMF Managing Director Kristalina Georgieva captured the mood succinctly, warning that AI's impact is "**like a tsunami hitting the labour market**."

Critically for talent leaders, she highlighted where that wave is landing first: "**Tasks that are eliminated are usually what entry-level jobs do at present.**" Across Davos, leaders echoed concern that traditional early-career roles — long used to build experience and capability — are shrinking or disappearing.

For CHROs, this is a structural challenge. Many workforce models still assume routine task work as the on-ramp to careers. That assumption is rapidly eroding, putting pressure on recruitment pipelines, early productivity, and long-term leadership development.

Leadership Is Now the Bottleneck

Despite widespread experimentation with AI, Davos conversations revealed a stark gap between technological capability and organizational readiness. Most companies can deploy AI. Far fewer are equipped to absorb its human consequences.

The differentiator is leadership. Organizations seeing value from AI are actively redesigning work, redefining roles, and supporting people through transition. For HR leaders, the mandate is clear: **translate AI adoption into human adoption** — through reskilling, job architecture redesign, and transparent career pathways that maintain trust.

Uneven Gains Risk Widening Inequality

Another recurring theme was the uneven distribution of AI's productivity gains. IMF analysis shared at Davos suggested that while some workers benefit significantly, others face wage pressure, slower hiring, or displacement — particularly those without access to reskilling.

This raises a difficult but necessary question for CHROs: **are our workforce strategies mitigating inequality, or unintentionally amplifying it?** Early-career talent and workers in transition roles are especially exposed if learning, mobility, and opportunity are unevenly distributed.

The Talent Pipeline Is at Risk

Beyond immediate disruption, leaders flagged a longer-term concern: erosion of opportunity. If younger workers struggle to enter and progress in the workforce, organizations risk hollowing out future leadership pipelines. Rising workforce anxiety — particularly among early- and mid-career employees — was cited as a signal of growing risk to engagement and trust.

From Dialogue to Action

Davos 2026 reinforced that no organization can address these challenges alone. Cross-sector collaboration — with educators, governments, and industry peers — is becoming essential to rebuilding skills pathways at scale.

Bottom line for CHROs: Workforce disruption is already here, and its impact is uneven. The organizations that emerge stronger will be those that move fastest — redesigning early-career pathways, investing in continuous reskilling, and leading AI transformation with a clear, human lens.

Dialogue has happened. Execution is now the test.

M1 will return to Davos next year as the workforce agenda will continue to be central to how organizations compete and endure.