

How AI Agents Are Redefining HR's Role and What To Do Next

In recent virtual discussions, M1 Talent Members explored how AI agents are reshaping HR's role and what leaders must do next to scale AI responsibly.

At A Glance:

- AI agents are becoming core infrastructure across all HR functions and driving efficiency impact, but fragmentation is eroding value.
- HR governance now sets setting clear rules, responsibilities, and risk limits as AI agents play a bigger role in people decisions.
- Development is evolving into an always-on capability with AI-powered learning ecosystems that adapt skills growth to day-to-day needs.

In a recent virtual session, many members of the M1 Talent Community came together to discuss how AI agents are being used across their organizations and how they're planning for what comes next in 2026. Here are the key insights that emerged.

About two-thirds of participants said their organizations have piloted or launched one or more AI agents, with these tools increasingly becoming embedded infrastructure across recruiting intake, onboarding workflows, HR service delivery, and elements of learning and coaching. In high-volume environments, conversational agents, scheduling tools, and automated workflows are already handling large volumes of work and materially shortening time-to-hire.

These deployments are freeing scarce HR capacity for higher-value activity, but they are also increasing organizational dependence on reliable integration, data quality, and oversight. Forward-thinking organizations are beginning to treat AI less as a collection of tools and more as foundational workforce infrastructure—requiring about the same discipline, resilience, and ownership as payroll, finance, or core IT systems.

What matters now is less about discovering new AI use cases and more about managing the consequences of adoption already underway. Fragmentation, governance risk, workforce implications, and capability gaps are emerging as the defining challenges of the next phase.

As the nature of work continues to evolve, here are five key implications for HR and talent leaders navigating this shift.

1. HR Is Becoming a Steward of AI Systems

As AI agents absorb routine HR work, teams are shifting from executing transactions to overseeing systems—especially in high-volume recruiting and onboarding. This marks a structural change in HR's value, from doing the work to ensuring integrated, well-governed, end-to-end processes across both human and machine decision-making, with AI increasingly extending into core talent systems.

As one talent leader shared, *“We’re planning to extend AI deeper into talent management. For example, we’re working with Workday to develop a succession planning bot that can identify internal candidates for roles, either when a job opens or just to see who could be a strong fit.”*

HR leaders must move accountability from individual AI tools to end-to-end, AI-enabled processes that blend human judgment and automated execution. This requires clearly defined human-in-the-loop points and stronger HR capability in AI literacy, vendor management, and system oversight.

2. Agent Sprawl Is Undermining Value

Many HR functions now operate multiple AI agents by vendor, function, or region. While each may work well in isolation, together they often create confusion for employees and candidates—and dilute overall value. What began as experimentation is increasingly introducing friction.

As agent adoption accelerates, organizations are recognizing that scale without coherence erodes trust, efficiency, and insight. The opportunity now lies less in adding new agents and more in making existing ones work together.

Even effective AI agents can fall short without integration, *“Candidates are more responsive to text than other channels. If we can solve this integration issue, we’ll use it more. But for now, I wouldn’t use Paradox for executive recruiting. We just implemented it and need more time to experiment.”*, one talent leader noted.

As AI agents proliferate, value is increasingly lost through fragmentation rather than lack of innovation. HR leaders should prioritize coherence by simplifying user experience, setting shared standards across agents, and integrating existing tools before introducing new ones.

3. Governance Now Sets the Ceiling on AI Scale

Legal, privacy, and security concerns are no longer secondary considerations. As AI becomes embedded in recruiting, onboarding, and people decision-making, the tolerance for unmanaged risk drops sharply. Fraud, identity misuse, bias, and regulatory exposure become more consequential at scale.

At the same time, governance decisions increasingly shape how AI is used—what it can automate, what must remain human-led, and where judgment sits.

As one talent leader put it, *“Asking where we’re using AI in HR is like asking where we use email—it’s becoming omnipresent. For us, the main concerns are governance and developing comfort with AI.”*

Another emphasized the operational reality behind that shift, noting, *“We need to establish governance and guardrails across the organization to manage how AI is implemented.”*

Governance decisions now directly determine how far and how safely AI can scale in people processes. HR leaders must treat AI governance as shared enterprise infrastructure, embedding accountability, auditability, and risk management before expanding into sensitive domains.

4. Automation Is Redefining Entry-Level Work

While large-scale job reductions are not yet widespread, automation is steadily eroding routine work that historically served as entry points into organizations. Many of the roles that once helped people build foundational skills, judgment, and organizational understanding are shrinking or disappearing.

Left unaddressed, these risks hollowing out early-career pathways and weakening long-term talent pipelines. This is not simply a workforce reduction issue—it is a workforce design challenge.

As one talent leader emphasized, *“If agents do all the entry-level work, we’ll need to rethink job structures since completing tasks also involves learning about the company and building relationships with others.”*

Several echoed this concern, adding, *“From a societal perspective, I’m concerned about the reduction of entry-level work. Some people rely on these roles for their livelihood, and it’s important to consider what opportunities will exist for them.”*

HR leaders should intentionally redesign early-career roles and development pathways, so AI enhances learning and progression rather than hollowing out talent pipelines.

5. Development Is Shifting to Continuous, AI-Enabled Support

AI coaching and learning agents are changing expectations around professional development. Instead of episodic courses and programs, employees and managers are increasingly accessing personalized, on-demand support embedded directly in daily work.

This shift is already influencing how organizations think about manager capability and coaching effectiveness.

As one talent leader said, *“We’re also piloting similar technologies as early adopters, especially for supporting first-line managers. These tools provide operational advice and feedback to managers in the field when they encounter performance or policy questions.”*

Others described a similar move toward coaching in the flow of work, noting, *“We’re looking into AI coaching, wanting to incorporate it directly into the flow of work instead of tying it only to learning programs. The goal is for our largely field-based staff to have mobile-friendly, accessible coaching support.”*

HR leaders should reposition L&D toward orchestration and quality control, while setting clear boundaries for where AI can—and cannot—replace human judgment.

The Bigger Shift for HR

Taken together, these implications point to a fundamental shift in HR's role. As AI agents take on more operational and analytical work, HR's influence is moving upstream—toward system design, risk stewardship, and the intentional shaping of how humans and machines work together.

The organizations that succeed will not be those that deploy AI the fastest, but those that consolidate deliberately, govern with rigor, and redesign work and development with purpose. The real question for HR leaders is no longer *whether* AI will reshape the function, but *whether HR is prepared to own the systems and the circumstances that come with it.*