

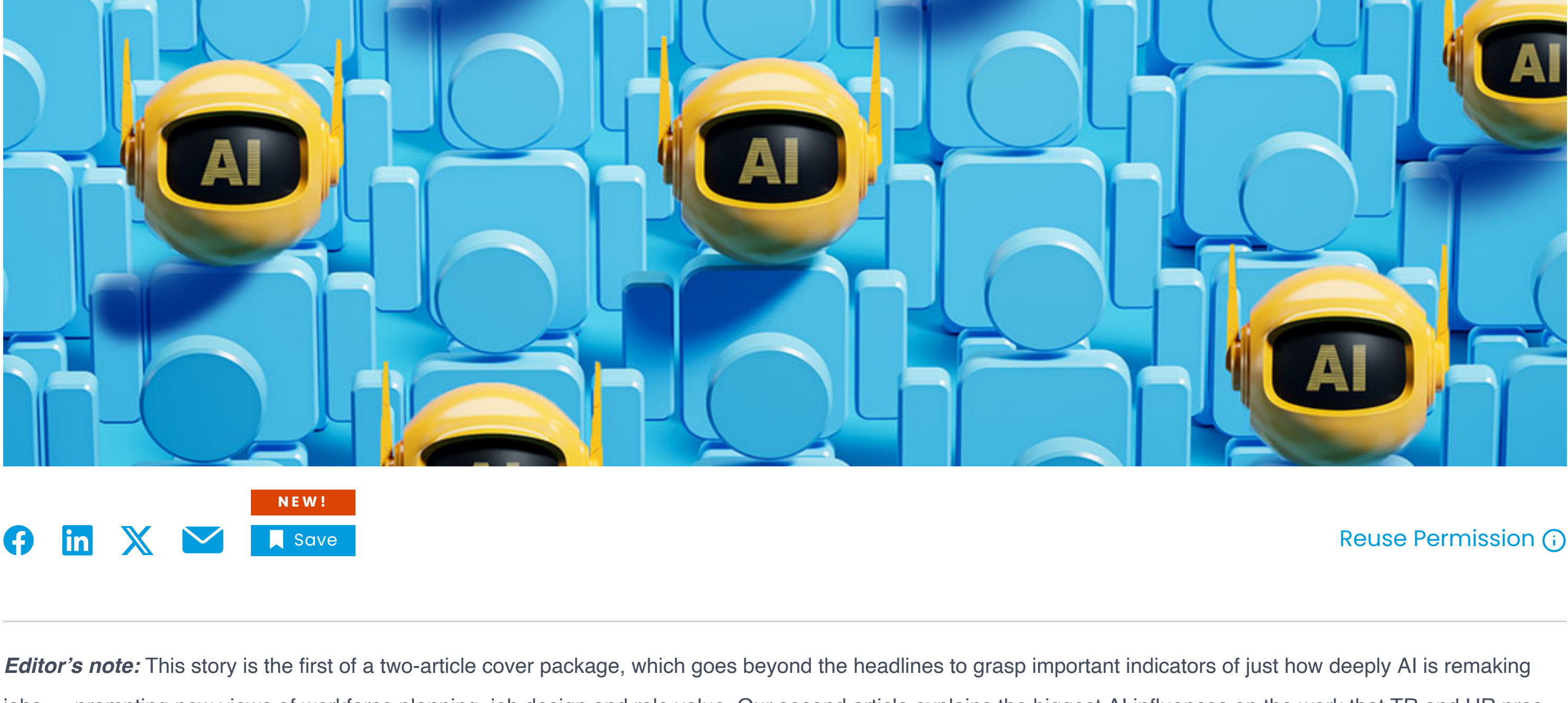
Takeover or Transformation? How AI Is Reshaping Jobs, the Workforce

Workspan Article
August 06, 2025

By [Beth Braverman](#) and [Susan J. Wells](#)

Total Rewards

People Analytics



NEW!

Facebook

LinkedIn

X

Email

Save

Reuse Permission

Editor's note: This story is the first of a two-article cover package, which goes beyond the headlines to grasp important indicators of just how deeply AI is remaking jobs — prompting new views of workforce planning, job design and role value. Our second article explains the biggest AI influences on the work that TR and HR pros do — and how practitioners are navigating the changes now. [Read our companion article: How AI Is Changing Total Rewards Functions and Roles](#)

- [“Bosses want you to know AI is coming for your job”](#)
- [“AI Is Going to ‘Replace Everybody’ in Several Fields, According to the ‘Godfather of AI.’ Here’s Who He Says Should Be Terrified.”](#)
- [“Behind the Curtain: A white-collar bloodbath”](#)

Headlines like these, forecasting artificial intelligence’s bombardment of jobs, are typical of the predictions human capital leaders get served up nearly daily. But are vast swaths of employee roles really at risk? Which industries, types of jobs and position levels are truly most affected? And to what degree is AI reshaping the workforce and, in turn, resetting total rewards and HR roles and functions?

For TR and HR leaders who are guiding workforce transformations, these are important questions threaded with many uncertainties. And yet despite the fact the AI landscape is still evolving, it seems safe to say the powerful technology has a wide reach when it comes to the workplace.

“AI is really an all-purpose technology,” said Erica Groshen, a senior economic advisor at Cornell University’s Labor Dynamics Institute, and a former commissioner of the U.S. Bureau of Labor Statistics. “It’s more like electricity than it is a modification that would affect just one set of jobs or one part of production. Most any kind of work will probably be affected in one way or another.”

Fortunately, useful guideposts exist for workforce professionals as they craft a reimagined job architecture and integrate the technology into work and jobs.

Evaluating AI Adoption and Jobs Exposure

Timely and accurate measurement of AI use and potential by organizations is both challenging and crucial for understanding the impacts on the workforce. Grouping the effects into two camps is a necessary step: While *exposure* indicates which jobs are susceptible to AI, *adoption* identifies who is actually using it.

To identify the types of jobs that could be most and least disrupted by AI, ongoing [research](#) by The Brookings Institution analyzed OpenAI data, which looked at task exposure to existing ChatGPT-4 technology across more than 1,000 occupations, as defined by the U.S. Department of Labor’s Occupational Information Network ([O*NET](#)) database.

It found that more than 30% of all workers could see at least 50% of their occupation’s tasks disrupted by AI, while some 85% of workers could see at least 10% of their work tasks impacted.

Sectors facing the greatest exposure are clustered in higher-paying fields like STEM, business and finance, architecture and engineering, and law, the report found, as well as in lower-paying, mid-skill office and administrative jobs. Blue-collar sectors face the least exposure, while lower-paid service-sector jobs will also likely see more modest effects.

While the overall impact on the current job market remains difficult to grasp to date, high-profile CEOs, from [Amazon’s Andy Jassy](#) to [Salesforce’s Marc Benioff](#), say they have reduced or are planning to reduce headcount as they move more work to AI agents.

Day-to-day adoption by employees, meanwhile, continues to grow:

- Nearly 1 in 5 employees [told Gallup](#) in the second quarter of this year that they now use AI a few times a week, up from 11% in 2023, and the share who uses it every day also doubled.
- Furthermore, nearly 9 in 10 C-suite executives say employees are using AI at work, according to a 2025 LinkedIn [study](#) of nearly 2,000 company leaders.

Over the long term, Groshen said, this type of total technological revolution will not reduce the number of jobs overall, because while AI will replace some workers, it will also introduce a new scale to the economy that will require more workers in other areas.

“We will eventually get back to full employment,” after AI’s impact on jobs, she said. “But the question is: How disruptive will it be?”

Augmentation or Automation?

To suss out the potential levels of job disruption, one way of looking at AI’s impact is by determining whether the tech augments tasks (complements human work) or automates them (replaces human tasks).

Researchers at Anthropic — the company behind AI assistant Claude — recently did just that by creating a dataset to measure the two impacts on certain jobs.

They [studied](#) 4 million text-based conversations between users and Claude at the end of 2024, classifying each into either an augmented or automated task. These tasks were then mapped to more than 700 occupations based on the O*NET database of [work characteristics](#). The [data](#) show that, on average, 36% of all jobs were using AI for at least a quarter of their tasks, and about 4% of occupations used it across three-quarters of their tasks — with augmentation accounting for 57% of usage.

‘AI is not just replacing workers ... it is changing what work looks like.’

Delving further into the nuances, a May 2025 [analysis](#) by workforce intelligence firm Revelio Labs revealed a decoupling between AI exposure and adoption. In examining the share of workers using AI tools and the share of work tasks that could be augmented by AI, it found that while exposure has gradually declined, adoption has steadily increased. “This trend suggests that AI is no longer just a looming possibility across many jobs,” the report authors said, “it is now being actively integrated into specific high-value roles and workflows.”

The analysis also suggested that employers appear to be reconfiguring job postings and descriptions to avoid easily automated tasks.

“AI is not just replacing workers,” the report authors concluded, “it is changing what work looks like.”

Reimagining Entry-Level Roles

Recent concerns about AI’s outsized effects have frequently pointed to widespread displacement of entry-level employees, whose job tasks may be more likely to be replaced by the tech.

An August 2025 [analysis](#) by Revelio Labs, in fact, found that job postings for entry-level roles in the U.S. have declined overall about 35% since January 2023, with roles having higher exposure to AI logging deeper declines than those with lower AI exposure.

A July 2025 [report](#) by workforce research nonprofit The Burning Glass Institute presents two contrasting categories of impact. While its analysis showed that approximately 1 in 8 U.S. workers are currently in occupations where there could be considerably less entry-level opportunity as a result of AI, jobs that previously had high barriers to entry — based on the skills required to do them — could be unlocked to a broader range of workers as AI automates some of the tasks.

In occupations where AI narrows access to career entry points, Burning Glass’ researchers say, companies will need to reconfigure how workers gain experience and move upward. For jobs where AI broadens access, organizations have the chance to build more inclusive talent pipelines — but must adapt their hiring and development models to do so effectively. Taken together, according to the analysis, these shifts “will demand more adaptive talent strategies and more intentional career architectures.”

Jacqui Canney, chief people and AI enablement officer at software provider ServiceNow Inc., believes that redefining gateways for entry-level talent can preserve career ladders that help build job mastery, and feed the talent pool for future roles and specialized skills. To that end, her company is continuing to invest in robust early-career pipelines to sustain long-term growth, even as it continues to deploy AI.

“There’s no doubt AI is fundamentally changing how we work. But that shouldn’t mean closing the door on early-in-career talent,” Canney [noted](#). “It should mean reimagining how to create new opportunities.”

Remodeling Job Architecture, Role Mapping

To support this type of strategic workforce planning, organizations are in various stages of conducting role-by-role analyses to identify where AI is likely to automate tasks versus augment skill acquisition, and then reworking job design and architecture.

The authors of the Burning Glass report anticipate that as AI automates entry-level tasks, organizational structures will become flatter and will resemble rectangles or diamonds, rather than the traditional pyramid, as layers of middle management may decrease and agile teams may emerge. So, in the absence of traditional advancement steps, firms will need to rethink how they design career paths — and how they reward execution, collaboration skills and expertise — in order to retain employees. Success, the report authors say, will hinge on an organization’s ability to:

- Identify high-potential workers and uncover hidden talent pools.
- Accelerate learning opportunities to focus on lateral transfers of experienced workers from other fields and those whose careers may be disrupted by AI.
- Create flexible, individualized career development strategies to keep employees engaged and progressing.

It’s a significant undertaking, to be sure.

“We’re really confronting an upheaval on the job design front, because there’s now this misalignment between the tasks and how we package those tasks into jobs,” said Anna Tavis, chair of the human capital management department at NYU’s School of Professional Studies. “ Organizations need to completely reconfigure how they operate, what jobs are, how jobs are aligned, how responsibilities are allocated, and — most importantly, from a rewards perspective — what is the value we’re going to put on those new jobs?”

Assessing Productivity and Value
Employees’ roles are being enhanced — rather than replaced or wholly generated — by AI will likely see their productivity rise, according to recent studies. A [Goldman Sachs analysis](#) last year, for example, estimated that widespread adoption of AI would raise U.S. labor productivity by 15% over the next 10 years, unlocking \$4.5 trillion in GDP growth.
Those productivity gains, the study’s emerging, though they vary significantly by industry and job role. Developers for the AWS platform, for example, were able to cut the time to [complete a code deployment](#) in half (from two hours and 45 minutes to one hour and 11 minutes) with the use of the company’s AI developer tool Copilot. Meanwhile, [Permanente Medical Group’s](#) ambient AI tool saved physicians nearly 18,000 hours of documentation in 2024.

What’s more, according to [PwC’s 2025 Global AI Jobs Barometer](#), AI is making workers more valuable, with wages rising twice as quickly in those industries most exposed to AI compared to those least exposed. PwC found that pay is rising for AI-powered workers faster in the most highly automatable roles, suggesting concerns that AI is devaluing automatable roles in the aggregate may be misplaced.

Furthermore, according to [a recent PwC study](#) show that a 10-percentage-point increase in AI exposure is associated with 25% higher salaries.

For compensation professionals, evaluating how to level and pay employees performing AI-augmented jobs is an area more and more likely to see new processes yet to emerge, said Ben Eubanks, chief research officer at Lighthouse Research & Analytics and author of [Artificial Intelligence for HR: Use AI to Support and Develop Your Workforce](#) (Kogan Page, 2024).

“The companies that are having to are struggling to figure that out,” he said.

For example, a researcher who previously spent 40 hours creating a report might be able to produce a draft in an hour, said Vidisha Mehta, global advisory digital solutions leader at WTW. That may mean that the organization needs fewer of those researchers, but it will also need to train up the researchers that remain on how to quality-check the draft report, find areas that need additional data or research, and look for the relevant insights within it.

Additionally, customer service employees who no longer have to deal with basic questions now handled by AI agents will need to serve customers whose needs are more complex.

“So, if we generalize a bit, there are going to be more requirements around problem-solving, more requirements around dealing with people,” Mehta said.

Clearing the Roadblocks

Gallup [research](#) shows that AI is more productive when supporting human employees, rather than replacing them. So, in addition to continuing to focus on their traditional compensation and benefits responsibilities, TR professionals can lean into AI to create people-first policies that rethink workflow while continuing to prioritize the human needs and values of the workforce. Of course, thoughtful deployment will be key to avoid missteps and to successfully capitalize on AI capabilities.

Organizations often face either “pilot purgatory” or a “scaling slump” when introducing AI, said Rahul Shahani, a partner at McKinsey & Co. who leads the Manufacturing & Supply Chain practice in North America. In the former, the tech works in a limited scope but doesn’t deliver the promised value on a larger scale. In the latter, the organization is initially able to expand a program but then struggles to maintain adoption or value realization.

TR and HR professionals can play an important role in helping organizations break through these barriers, by determining which skills employees need to improve and conceiving of new career paths based on those skills. That can help organizations speed adoption of the technology and truly integrate it into redesigned workflows.

“That’s really where the next horizon of capability, value and productivity will come from, as organizations start to scale the value of AI,” Shahani says. “That’s very, very hard, but we’re on the cusp of that.”

Editor’s Note: Additional Content

For more information and resources related to this article see the pages below, which offer quick access to all WorldatWork content on these topics:

- [Total Rewards](#)
- [People Analytics](#)

NEW!

📧

Save

Comment on Engage

Reuse Permission

About the Authors

Beth Braverman
Freelance Writer, Workspan Magazine

Beth Braverman is a freelance writer for Workspan, who has been covering workplace issues, benefits and personal finance for more than a decade.

Read More from the Author

Susan J. Wells
Editor, Workspan Magazine

Susan J. Wells has been a journalist, editor and content strategist for decades, all in the workforce, business and financial spaces.

Read More from the Author

Related WorldatWork Resources

Charting the Changes: 2026 Benefit Plan...

Read More

Trump Order Ends Collective Bargaining at...

Read More

Q&A: How Can TR Leaders Position Themselves as...

Read More

Related WorldatWork Courses

Compensation Analytics and Insights

Read More

Pay Equity Course Series

Read More

Market Pricing and Competitive Pay Analysis

Read More

Info About WorldatWork

About WorldatWork

Leadership

Global Locations

Press Room

Contact Us

Careers at WorldatWork

Career Opportunities

Partner With Us

Advertising

Find an Affiliate

Volunteer Opportunities

WorldatWork Foundation

Support

How To & Help Docs

Feedback

Contact Us

Facebook

LinkedIn

X

Visit the India Site

Visit the MENA Site

Accessibility

Data Privacy Center

Policies

Terms of Use

© 2025 WorldatWork, Inc. All rights reserved. WorldatWork is a United States 501(c)(3) tax exempt organization.

Feedback