

Future-ready workforce 2.0: C-suite strategies for thriving in a shifting world

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Foreword by FICCI



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FICCI, in collaboration with Grant Thornton Bharat, is delighted to present **“Future-ready Workforce 2.0: C-suite Strategies for Thriving in a Shifting World.”**

In an era of uncertainty, shifting employee expectations, and rapid digital transformation, leadership is key to building resilient and adaptive organisations. This report highlights the evolving realities of Workforce 2.0 and introduces practical and actionable frameworks to help C-suite leaders balance innovation with resilience while keeping people at the centre.

FICCI remains committed to shaping thought leadership that enables Indian businesses to embrace learning, inclusivity, and responsible technology adoption, thereby driving purposeful and sustainable growth.

We trust this report will serve as a valuable guide for CXOs, HR leaders, and executives in building future-ready, people-centric organisations.

Foreword by Grant Thornton Bharat



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In January 2021, India walked into The Gabba, Brisbane, with the odds stacked firmly against them. Their captain was back home, half the senior players were injured, and the opposition hadn't lost at this fortress in 32 years. It was chaos waiting to unfold. Yet, under Ajinkya Rahane's calm leadership and the fearless spirit of youngsters like Shubman Gill, Washington Sundar, and Rishabh Pant, the team didn't panic. They played with foresight, absorbed the pressure, and turned adversity into opportunity. What looked like certain defeat was transformed into one of India's most historic Test wins.

That lesson holds true for business today. Uncertainty and ambiguity continue to define the environment we operate in. Older systems that supported organisations for decades are being forced to evolve, and risks are becoming more interconnected, demanding resilience, responsiveness, and foresight from leaders.

Organisations must tackle a multitude of challenges: geopolitical volatility, supply chain breakdowns, shifting workforce demographics, managing multigenerational teams, and the relentless pace of technological change. In such conditions, weak HR structures, fragmented talent planning, and outdated workforce practices can magnify risks—making even the most established organisations vulnerable.

Yet, this era is equally ripe with opportunity. Digital tools are leveling the playing field, enabling firms of all sizes to compete with agility and impact. India's unique workforce advantages add to this promise, provided businesses are ready to harness them.

As Sun Tzu reminds us in *The Art of War*, "The supreme art of war is to subdue the enemy without fighting." The BANI world we live in—brittle, anxious, nonlinear, and incomprehensible—has existed in different forms across history. It is not only about cleaning up the mess after it happens; it is about anticipating, predicting, and ensuring the mess never overwhelms us in the first place.

This report offers practical frameworks, self-assessments, and insights to help organisations understand where they stand today and chart a course forward. It encourages leaders to think proactively, inspire fresh outlooks, and create Workforce 2.0—one that is resilient, future-ready, and human at its core.

The question for every leader now is: **Will you wait to react when chaos strikes, or will you build the foresight to thrive before it arrives?**

Executive summary

India's business landscape is undergoing unprecedented disruption. Geopolitical tensions, fragile and inflexible systems, evolving employee expectations, non-linear career trajectories, and rapid technological advancements have given rise to a new and complex workforce paradigm, Workforce 2.0.

This report aims to equip senior Human Resources (HR) and business leaders with a nuanced understanding of the forces shaping today's business environment and the defining traits of Workforce 2.0. To achieve this, we employed a robust three-pronged methodology, combining primary research, secondary analysis, and insights from relevant project experience to ensure depth, relevance, and credibility.

Our primary research included interviews with HR and business leaders, surveys with HR professionals, and inputs from Gen-Z employees. This helped us capture diverse viewpoints and uncover key trends and contrasts across workforce segments.

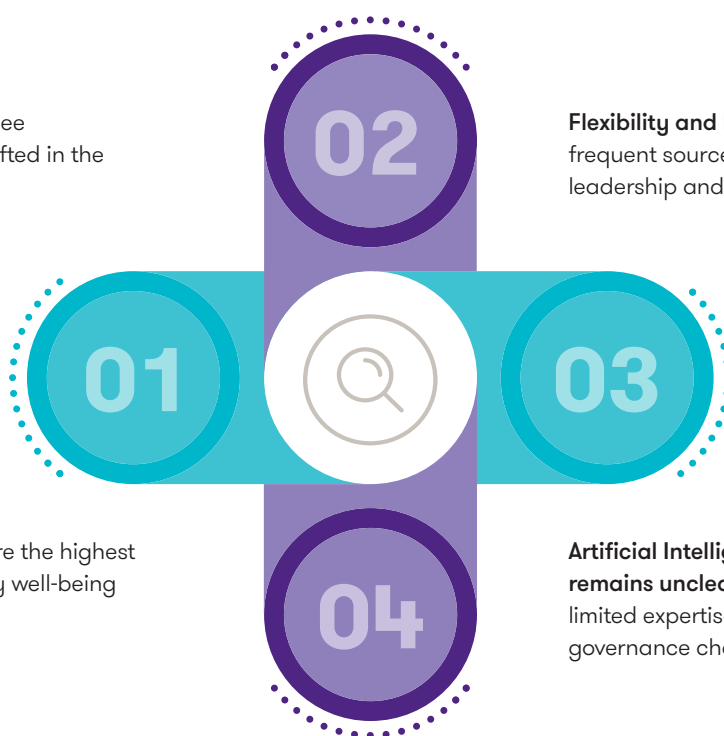
Key findings

60% of leaders believe employee expectations have radically shifted in the last three years.

Flexibility and hybrid work are the most frequent sources of disconnect between leadership and employees.

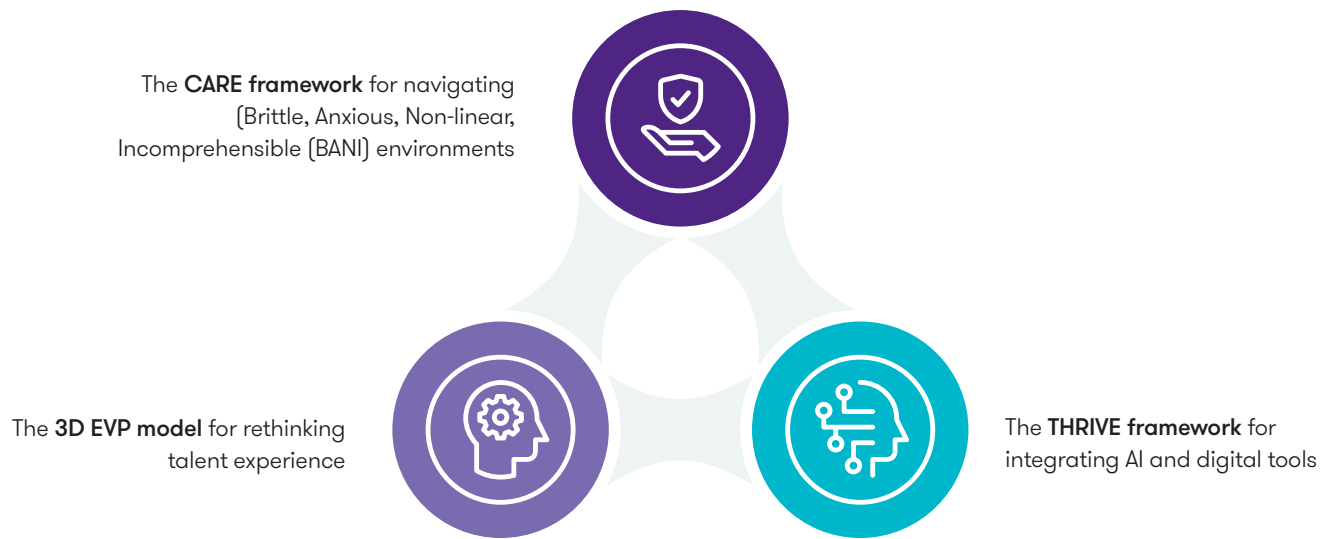
Learning and career growth are the highest priorities for Gen-Z, followed by well-being and purpose-driven roles.

Artificial Intelligence (AI) adoption remains unclear, with barriers such as limited expertise, infrastructure gaps, and governance challenges.





To help leaders respond effectively, the report introduces three actionable frameworks:



The call to action is clear: organisations must move beyond legacy models, experiment with new approaches, please people at the centre of transformation. Those that blend resilience with innovation will be best equipped to succeed in the age of Workforce 2.0.



01

Introduction

Over the past two decades, the global business environment has experienced significant upheaval, from the 2008 financial crisis and the COVID-19 pandemic to escalating geopolitical tensions and the rapid rise of AI since 2022. Notably, the pace and intensity of disruption have accelerated markedly in the last five years.

India has not been immune to this volatility. The country's business ecosystem has been shaped by strained international relations (e.g., India-Pakistan tensions, U.S. trade tariffs), a surge in digitalisation and start-up activity¹, evolving government policies (including those related to AI), and a growing focus on Environmental, Social, and Governance (ESG) imperatives. Together, these forces have contributed to a fragmented and increasingly complex business environment.



The narrative of the inflection point has significantly changed since 2022. There is now a future which is unknown, and it's come about because of rapid changes in technology, talent development, and more. While these changes may just be brought about the hype, and may be similar to a bubble, we can clearly see that the pyramid of a classic organisational structure is now changing.

Capt. Shantanu Chakravorty

Chief Learning Officer
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India's business landscape is in a state of flux. Widening skill gaps in emerging domains such as AI and green energy², the rise of the gig economy, and evolving work structures are reshaping how organisations operate and plan for the future. In this dynamic context, the concept of Workforce 2.0 has emerged, challenging traditional organisational models and calling for a new leadership playbook. Workforce 2.0 is defined by three converging shifts:

- **Shifts in the business environment:** Today's business climate is markedly different from the past, requiring leaders to understand its nuances and adapt accordingly.
- **Shifts in terms of employee needs and demographics:** With more Gen-Z employees entering the workforce, organisations must respond to evolving expectations around purpose, flexibility, and career growth. Managing a multi-generational workforce effectively is now a strategic imperative.
- **Shifts in technology:** The rise of generative and agentic AI is changing organisational structures, however, barriers to adopting AI remain within organisations, including managing digital fluency and technological requirement gaps across functions.

¹ Press Information Bureau - India's Startup revolution

² Future of Jobs Report 2025 -Indian Focus A Guidance Mechanism for Indian youths to choose their careers based on Future Job Report 2025 in this age of super fast evolution



These factors are making the business environment more unpredictable and many C-suite leaders find themselves grappling with uncertainty, questioning their organisation's strategic direction and its ability to remain stable amid ongoing disruption.

How can leaders make sense of turbulence that defies prediction? What does it mean to lead a workforce where generational gaps and a shifting Employee Value Proposition must be managed? To effectively address the challenges posed by Workforce 2.0 and provide organisations with actionable strategies to approach the challenges that have emerged with Workforce 2.0, we will do a deep dive on each of the three topics we identified as making up Workforce 2.0, and use a three-pronged approach to aid us in our research, which includes:

Project experience

Drawing on their extensive experience with clients and insights from previous projects, Grant Thornton Bharat in collaboration with FICCI has shaped the core concepts presented in this report.

Primary research

We conducted in-depth interviews with C-suite executives, administered surveys among mid and senior-level HR professionals, and engaged directly with Gen-Z talent to capture their unique perspectives.

Secondary research

We reviewed relevant academic literature and government publications to deepen our understanding of existing research related to the themes explored in this study.



02

Navigating the BANI world

Over the last five years, there have been a series of transformative global events, from wars, supply chain shocks and the Covid-19 pandemic, to the Suez Canal blockage³ and AI breakthroughs. While each event has had an impact on industries and caused economic volatility worldwide, disruption has shifted from being an anomaly to a constant feature in today's business landscape. As a result, the traditional framework used to describe uncertainty, VUCA (Volatility, Uncertainty, Complexity, Ambiguity), has evolved into a more fitting model: BANI (Brittle, Anxious, Non-Linear, Incomprehensible)⁴.

VUCA, coined in the 1980s, described a complex but predictable environment, organisations could still anticipate challenges and

plan ahead. In contrast, BANI captures the unpredictability and fragility of the current landscape. Hence, in the VUCA world, while organisations faced challenging conditions, these were ultimately manageable⁵.

The COVID-19 crisis revealed the shortcomings of the VUCA framework. Market crashes, supply chain breakdowns, and widespread uncertainty showed how unprepared organisations were for such volatility. In response, the BANI framework emerged, capturing a world defined by brittleness, anxiety, non-linearity, and incomprehensibility. Chaos has now become constant, and future disruptions increasingly arrived as sudden, unmanageable shocks⁶.

Factors shaping the BANI world: A deep dive

BANI element	Definition	Top HR problem areas
Brittle	HR systems are unable to withstand disruption due to dependency on outdated models and a resistance to change.	Operations that collapse under stress, organisations that make decisions on outdated assumptions.
Anxious	Widespread anxiety from instability, digital overload, and job insecurity.	Mental health challenges, retention, uncertainty in career growth, change fatigue and trust deficit.
Nonlinear	HR systems are disrupted by unexpected ripple effects and interdependencies.	Unpredictable workforce behaviours, rapid shifts in employee expectations.
Incomprehensible	C-suite leaders and HR teams struggle to make sense of complex, fast-changing data and systems.	Unclear Return on investment (ROI) on Learning & Development (L&D) in the age of AI, pace of skill obsolescence and difficulty predicting future skills.

Brittle:

Brittle systems in HR are those that are unable to withstand disruption, due to outdated models and a resistance to change⁷. Something brittle gives the illusion of being solid and strong but is easily shattered. When shocks occur, no amount of flexibility or capacity can help a brittle system recover⁸.

Traditional HR functions have been dominated by transactional activities, such as payroll, attendance, compensation and compliance. With the introduction of more advanced digital tools and integrated Human Resource Management Systems

(HRMS) suites, organisations can now adopt digital systems to automate transactional tasks and reduce the reliance on HR professionals for routine jobs.

This disruption is also redefining the composition of the workforce. The focus has shifted from hiring ratios of freshers versus lateral hires, to balancing human talent with digital tools. Entry-level roles are already being automated, and strategic roles may soon follow. Growing geopolitical tensions are also influencing talent flows, with skilled professionals increasingly choosing to stay in or return to India. Indian organisations must strengthen their employee value propositions to ensure they can attract employees effectively.

In this environment, brittle systems are most at risk, as traditional systems prove ineffective, workforce compositions change, and adaptability becomes significantly harder.

³ Suez Canal blockage: an analysis of legal impact, risks and liabilities to the global supply chain
⁴ Research Gate - Recognising 'Being' in the BANI world
⁵ View of Tools for Transforming from VUCA World to BANI World: A Case of Educational Sector in Thailand
⁶ Bani and AI in education - A human approach to cooperative in overcoming pollumics
⁷ Research Gate - Comparative analysis of VUCA and BANI Frameworks
⁸ Impact International - BANI: What Is It, and How Can It Help Us?

Core identifiers of brittle systems are:

Operations that collapse under stress: Disruption has become a constant across industries, cutting across functions, and often driving breakthrough innovations. True disruption occurs when one player outperforms and replaces another within the same system⁹. Today, rapid technological advances are redefining the rules, and disruption is no longer the challenge, expiration is. This is when an existing system can no longer meet the demands of the current environment.



Great things can only be built in case you are ready to tear down your existing ways.

Yuvaraj Srivastava

Group CHRO
MakeMyTrip

This concept can best be explained through the integration of AI in HR. Disruption occurred when platforms such as LinkedIn and AI-powered Applicant Tracking Systems (ATSs), surpassed traditional HR teams in sourcing and screening candidates, as they employed prerequisites and criteria to screen candidates that replaced intuition with data-driven decisions. Firms that didn't use these tools risked making poor hiring decisions and were prone to bias.

The rise of Agentic AI marked a shift from disruption to expiration, where traditional hiring methods have become outdated. These AI models can assess candidates independently, allowing HR teams to focus on strategy.

Expiration is also evident in how global events are redefining the business environment. For example, the recent U.S. immigration restrictions have forced companies to overhaul hiring systems and practices. Talent mobility is constrained, and organisations need to rework their manpower planning, which directly affects productivity, sales, and profits. Rising geopolitical tensions further strain HR systems, as organisations and nations increasingly sever ties with countries they perceive as politically misaligned. This not only disrupts operations but also creates significant challenges in managing and sustaining a diverse and resilient talent pool.

Organisations that make decisions on outdated assumptions: Expiration theory posits that firms are at risks

of failing not only because of poor performance but because their foundational assumptions may become misaligned with the realities created by transformative technologies¹⁰. In a world where new ways of working are being established, many organisations are likely to fall into a state of “corporate inertia”, demonstrating resistance to altering its core assumptions, operating models, or resource allocations despite external environment changes.

This inertia is reinforced by a collection of factors¹¹:

- **Past wins:** Decision-makers may resist change, citing past successes as justification for inertia.
- **Bureaucratical rigidity:** Organisations often hold on to established processes, citing past success. However, with traditional methods fading away, this strategy is unlikely to work well.
- **Cultural conservatism:** Typically, organisational values and norms reward structured processes, discourage experimentation and risk-taking, and view deviation from the status-quo as a failure.
- **Stakeholder pressures:** Stakeholders, like investors, and regulators, reward consistency, which again discourages risk-taking.

⁹ ScienceDirect - Human-AI collaboration for enhanced safety

¹⁰ JSTOR - Understanding the Emergence of Computational Institutional Science: A Review of Computational Modeling of Institutions and Institutional Dynamics A 11 Review of Computational Modeling of Institutions and Institutional Dynamics

¹¹ Research Gate - Corporate-inertia-organisational-status-quo-bias-and-its-impact-on-innovation-resistance

These outdated assumptions often lead to poor decisions and significant business losses. Several industries offer examples. Outdated assumptions cost market leaders in the smartphones industry their edge, while legacy automotive players have lost ground as EVs and agile newcomers reshaped the landscape¹². In each case, unstated assumptions led to misleading insights, pushing well-established firms into existential crises.

The HR function plays a pivotal role in addressing these hidden biases. HR team must stay current with market trends, identify in-demand and emerging skills, and build adaptable teams that are future-ready. HR must also ensure a culture of flexibility that enables experimentation and calculated risk-taking, which are key to thriving in a world where unpredictability is the norm.

Anxious:

Anxiety is a pervasive condition. The constant spate of unexpected, disruptive world events has left us in permanent anticipation of the next crisis¹³. The BANI framework captures this shift, where anxiety reflects a state of persistent unease caused by unpredictable, disruptive events¹⁴. BANI emphasises a world that is cast in uncertainty and fear about the future, anxiousness manifests itself through five main vulnerabilities in this context.

- **Lack of psychological safety¹⁵:** Psychological safety is increasingly recognised as a cornerstone of effective teamwork, creativity, and inclusive culture. It refers to an environment where employees feel safe to voice ideas, raise concerns, and admit mistakes without fear of embarrassment, punishment, or retaliation. However, in many Indian organisations, psychological safety remains limited due to deeply rooted hierarchies where employees often hesitate to speak up, fearing their input may be seen as insubordination or incompetence.

Studies show that psychological safety enhances collaboration and performance, but it is often undermined by rigid communication norms and a lack of openness from leadership. For example, junior employees may avoid giving feedback to senior leaders, even when it could improve processes or prevent errors. This not only affects productivity

but also contributes to anxiety and disengagement¹⁶. In fast-changing sectors like IT, the absence of psychological safety is especially harmful. Fear of judgment discourages experimentation and risk-taking, making organisations less agile and more vulnerable to disruption.

- **Limited adaptive capacity¹⁷:** Adaptive capacity is an organisation's ability to respond quickly and effectively to change, whether driven by technology, customer needs, or market shifts. In many Indian workplaces, rigid systems and top-down decision-making hinder this agility, slowing responses and leaving employees feeling stressed and helpless.

Employee agility is becoming essential in sectors like IT, banking, and education. Yet, many organisations lack the culture and systems to support it, often confining employees to repetitive tasks with little autonomy or room for innovation. For example, traditional retailers in India struggled to adapt when digital payments and e-commerce surged. Their slow response wasn't just about technology, it reflected a deeper inability to adapt with speed and confidence. This lack of adaptive capacity creates a reactive organisational culture, where change is met with hesitation rather than anticipation. Employees feel uncertain and unsupported, leading to increased anxiety and disengagement.

- **Weak emotional resilience¹⁸:** Emotional resilience means being able to handle stress, bounce back from challenges, and stay mentally strong at work. However, this remains a challenge at many organisations. Employees often feel overwhelmed and unsupported, especially in environments marked by constant change and pressure.

Studies show that most Indian companies take a reactive approach, offering support like counselling only after burnout occurs. Few invest in preventive measures such as regular check-ins, mental health awareness programmes, or policies that promote emotional well-being. In high-pressure industries like IT and customer service, employees face long hours, tight deadlines, and relentless demands. Without safe spaces to discuss stress or access early support, burnout, absenteeism, and attrition become common outcomes¹⁹.

¹² Electric Vehicles - Electric Vehicle Industry in India and its Growth

¹³ Impact International - BANI: What Is It, and How Can It Help Us?

¹⁴ Research Gate - Comparative analysis of VUCA and BANI Frameworks

^{15,16} IJRESM - Psychological safety in the Indian workplace

¹⁷ JETNR - A Study On The Evolution Of Employee Agility

^{18,19} Frontiers - Workplace Mental Health Interventions in India: A Rapid Systematic Scoping Review

Uncertainty, lack of clarity, and emotional strain result in anxiety in the workplace and can deeply impact organisational health. Issues like poor transparency, weak emotional resilience, rigid systems, and low psychological safety are not just HR concerns; they pose strategic risks.

Managing anxiety requires more than reactive solutions, it demands a cultural shift toward openness, adaptability, and proactive planning. Organisations must adopt a human-centred approach, where leaders demonstrate empathy, recognise signs of stress, and respond effectively. This includes reviewing internal processes and fostering psychologically safe environments. However, anxiety is just one layer of the broader complexity organisations face today. As we move forward, the challenge is not only uncertainty, but non-linearity, where outcomes are increasingly unpredictable and interconnected.

Non-linear:

Non-linearity refers to a world where cause and effect are no longer directly connected. Small actions can trigger major consequences, while large efforts may yield minimal impact. For many Indian organisations, this challenges traditional planning and forecasting models, which often fail to reflect real-world complexity.

However, non-linearity also presents opportunities. With rapid technological shifts, even non-tech companies can now integrate advanced tools into their operations to overcome challenges with traditional forecasting models. This evolution demands a reimagined people strategy, one that fosters a culture of continuous learning and prioritises future-ready skills to build an agile, adaptable workforce.

Non-linear environments are shaped by fast-moving technologies, policy interdependencies, and socio-cultural dynamics that defy conventional logic. Organisations must learn to operate in an environment where outcomes are unpredictable, feedback loops are delayed, and change is rarely proportional. In the BANİ world workflows and systems no longer follow a linear path, but instead reflect three core vulnerabilities:

- **Unpredictable cause-and-effect relationships²⁰:** In a non-linear world, traditional planning models break down. Cause and effect are no longer predictable—small changes can trigger major shifts, while large efforts may yield minimal impact. This unpredictability undermines linear forecasting and forces organisations to rethink how they plan and respond. To stay effective, organisations must move beyond traditional planning models and embrace adaptive, real-time decision-making that reflects the complexity of today's environment.
- **Breakdown of traditional leadership models²¹:** Traditional, centralised leadership models have faced growing criticism for enabling poor decisions, reinforcing bias, and lowering employee motivation. In contrast, decentralisation empowers teams, builds trust, and enables faster, more adaptive decision-making in times of rapid change.
- **Data-driven decisions with non-linear results²²:** In data-driven organisations, HR analytics is vital for strategic decisions like hiring and workforce planning. However, in complex environments, even data-backed approaches can lead to delayed or unexpected outcomes. Indian firms using predictive analytics often face challenges such as poor data quality, fragmented systems, and cultural resistance, resulting in inconsistent outcomes. These issues reflect the non-linear nature of modern organisations, where small flaws can have outsized impacts, making traditional cause-effect models less effective.

In a non-linear world, traditional planning often feels futile as paths are unpredictable, and external shocks occur too frequently for rigid strategies to hold. Proactive planning becomes difficult under such conditions. In this environment, leadership agility emerges as a key differentiator.

By empowering teams across the organisation to make decisions and take ownership, leaders can distribute accountability and foster adaptability. This decentralised approach helps organisations respond faster to disruption, recover more quickly, and build resilience in the face of constant change.

²⁰ Research Gate - Recognising 'Being' in the BANİ world

²¹ Academia.edu - In the Challenging BANİ World: Is Agile Leadership Enough?

²² IJRAR - The Role of HR Analytics in Strategic Decision Making in Indian Organizations

Incomprehensible:

Incomprehensibility describes the challenge leaders and HR teams face in interpreting complex, rapidly evolving systems and data²³. It creates a situation where deeper analysis often leads to less clarity, not more²⁴.

A leading hardware manufacturer faced a severe labour crisis when a sudden infection caused widespread worker shortages, disrupting factory operations. Simultaneously, a major trade route blockage stalled shipments, prompting refund demands from frustrated customers. These compounded issues eroded brand trust, led to partner withdrawals, and deterred potential collaborations. With recruitment unfeasible and pushing ill workers unethical, production delays triggered significant revenue losses. This scenario mirrors the challenges businesses faced in 2021, when the COVID-19 pandemic and the Suez Canal blockage exposed how interconnected risks can destabilise an entire system²⁵.

These examples reveal the vulnerabilities and external dependencies organisations face today. The fragility of work systems becomes evident as firms experience sudden breakdowns despite doing everything right. The rapid shift from reliability to public distrust highlights the non-linear nature of modern businesses. This is incomprehensibility, a level of complexity that even seasoned professionals struggle to fully grasp.

Incomprehensibility often leaves firms and leaders feeling stuck. As complexity grows, they wait for clarity, but in a BANI world, it rarely comes. Adaptability becomes essential. Leaders must balance intuition with logic, look both inward and outward, and accept that they don't have all the answers. Today's challenges demand not experts, but open-minded leaders who value diverse perspectives and foster intellectual variety within their teams²⁸.



Managers must embrace change. Firms cannot have static HR systems and leadership models; they must pivot continuously. Change needs to not only be embraced but it must be turned into an advantage for your people and clients.

Lakshmi C

Senior Managing Director – CHRO
Accenture India

²³ IJFMR - Comparative Analysis of VUCA and BANI Frameworks

^{24,26} Impact International: BANI: What Is It, and How Can It Help Us?

²⁵ Via Medica Journals - Suez Canal blockage and its global impact on healthcare amidst the COVID-19 pandemic

²⁷ Press Information Bureau - Periodic Labour Force Survey (PLFS) April 2025

^{28,29} Shri Dharmasthala Manjunatheshwara Institute for Management Development - Assessing the Impact of Gen Z Workplace Preferences on Self-Reported Performance



Now, for firms to deal with levels of incomprehensibility, they must change the way they look at people management, recruitment, and HR systems altogether. Some ways to do this are:

- Evaluate change management capabilities in professionals. Before making hiring decisions, firms must evaluate their ability to manage change.
- Keeping a strong digital core. Firms must use data and analytics to shape their talent strategy. This involves leveraging capabilities of digital tools to evaluate employees and help them improve.
- Use scenario modelling for people management. In a world where disruption is constant, it may seem contradictory to plan for the future, but with skills constantly changing, real-world shifts must repeatedly be tracked and identified, allowing organisations to accordingly implement them within teams.
- Lead authentically: Since the ever-changing business environment requires decisions to be made closer to the ground, programmes must be developed to build camaraderie amongst teams and to ensure that leaders are able to manage their teams in times of crisis.

Additionally, fallouts from the BANI world and the increased volatility were brought about differently depending on the sectors that the firm was operating in. For instance, firms across different sectors including AI & experiential tech, agriculture and allied industries, banking and financial services, Information Technology (IT), and the public sector reported that with recent technological advancements, there has been a shift from traditional to skill-based deployment. Another trend reflected was the increase in demand for cross-functional teams which was a shift cited by the consumer goods, healthcare & pharmaceuticals, legal & consultancy services, and the travel and hospitality sectors showed that the workforce now demands more cross-functional teams.

These insights showcase how organisations are noticing the structural changes brought about by BANI and how demands differ across industries regarding what changes affect them the most. By going towards skill-based deployment instead of focusing on rigid hierarchies, organisations can focus on skills that would satisfy their work demands, and this has increasingly become simpler with the evolution of new work systems like the gig workforce and contract work. Similarly, due to the fast-moving changes that organisations are being exposed to more frequently, cross-functional teams would make it easier to deal with more complex problems, putting firms in a position to make incomprehensibility a bit more comprehensible.

Dealing with the BANI world



Figure (1): Rank where you stand

The above diagram helps organisations view where they stand and rank themselves in one of three categories: Beginner, Intermediate, or Advanced along with steps outlined for organisations to effectively move on to the next stage.

CARE: A practical framework for organisations and C-suite executives when navigating the BANl world:

Stage	What it addresses	Actionable steps	Interventions (reskilling)	Interventions (innovation)
C- Change mastery	Brittle systems	<p>Use scenario planning methods to plan for possible conditions</p> <p>Test ideas first through pilot rollouts before large-scale rollouts</p> <p>Assess supply chains and workforce pipelines to identify hidden issues.</p>	<p>Leadership gyms: Let managers practice scenarios and tailor training to their responses</p> <p>Have managers and key team members learn scenario modelling for better adjustment</p> <p>Train employees in cross-functional skills</p>	<p>Conduct manager-employee training to align on critical skills, gather managers' views on essential competencies and employees' learning interests</p> <p>Beyond training: Use employee input to match job-relevant skills with suitable project tasks</p>
A- Agility	Anxiety	<p>Shorten strategy cycles from annual reviews to more frequent, periodic reviews</p>	<p>Train managers for psychological safety and train them to figure out signs of exhaustion, stress, anxiety</p> <p>Train managers to measure agility in different projects</p>	<p>Divide employees into teams and have them complete scenarios not related to their business function to gain cross-functional skills and knowledge</p>
R- Reinvention	Non-linearity	<p>Dynamic operating models</p> <p>Rotational experiences</p>	<p>Train managers for psychological safety and train them to figure out signs of exhaustion, stress, anxiety</p>	<p>Fail and rebuild: Train employees to create strong strategies, then test adaptability by introducing disruptive twists</p>
E- Empowerment	Incomprehensibility	<p>Training leaders to deal with uncertainty</p> <p>Train employees on relevant digital tools</p>	<p>Train employees for multiple tasks within their business unit, leading to increased motivation and ability to retain them</p>	<p>One-click access: Use digital trackers to assign tasks, monitor availability, and track completion vs. targets, boosting accountability</p>

3 key takeaways from this section:

In a changing world, adaptation is key and demands and priorities must be constantly tracked

Future readiness comes from daily behaviours, not overall policies or tools

Progress is practical and can be measured through small, consistent actions



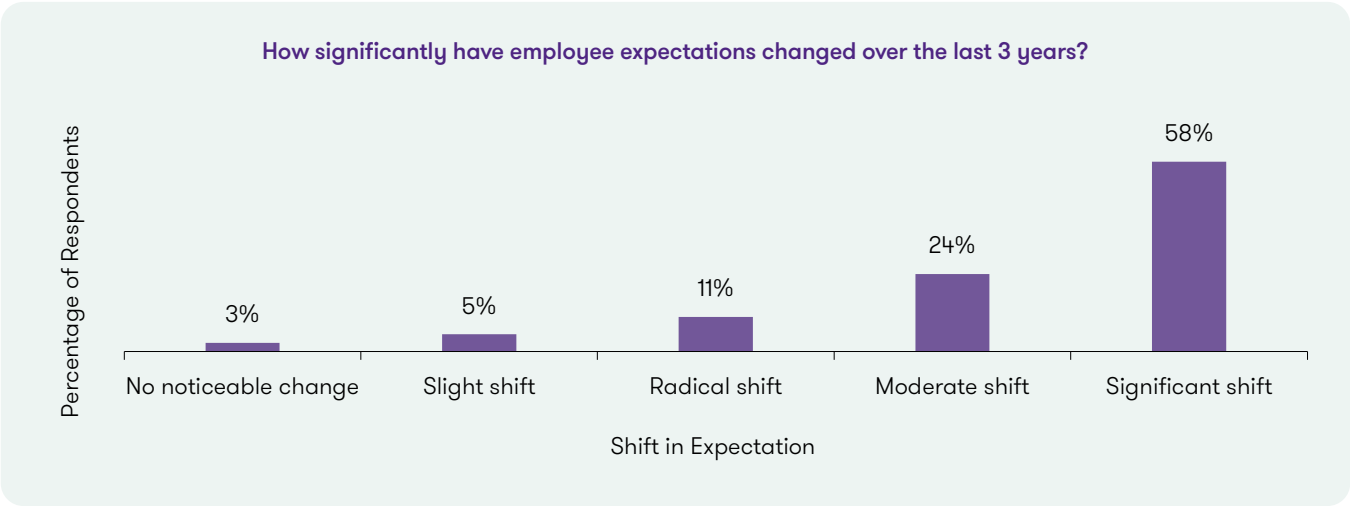
03

Evolving employee expectations: Redefining the employee value proposition

Just like the business environment, the workforce has also experienced transformational shifts.

To gain grounded insights into workforce dynamics, especially Gen-Z perspectives, we conducted two interviews: one with HR and business leaders, and another with Gen-Z professionals, adding depth and legitimacy to the research.

With Gen-Z now making up more than 50% of the workforce in India²⁷, they bring with them increased digital fluency, a preference for flexibility, and demand for more purpose-driven work²⁸. Hence, it's worth understanding what this significant shift entails in terms of the future of the workforce, changing trends and the reformed Employee Value Proposition (EVP) today.



To put this into perspective, approximately 60% of HR and business leaders cited there has been a radical shift in employee expectations over the last 3 years. This proves that many organisations are seeing changes with regards to the expectations being communicated to them by their employees. These also differ sector by sector, with the banking and financial services and EPC and asset management sectors citing radical shifts in employee expectations. Significant shifts were cited by most industries including agriculture, AI, IT services, legal and consultancy services, consumer goods and retail, energy and utilities, healthcare and pharmaceutical sectors.

Employees forming the Gen-Z cohort are technologically savvy since they are “digital natives” and have grown up with easy access to technology. To be able to maximise the productivity of such workers, it is imperative that organisations spend on digital skills, especially with the rapid technological shifts today. Employees whose roles mitigated their value systems and had societal impacts showed enhanced engagement and performance in practice. This infers that focus on mission work and social responsibility should be introduced in organisations if they want to improve job satisfaction among the Gen-Z cohort²⁹.





Simultaneously, new work models like the gig economy and contractual employees are on the rise, challenging the notion of traditional employment. According to NITI Aayog, the gig workforce is projected to reach 23.5 crore by 2029-2030³⁰. The rise of the gig economy mainly brought about due to technological advancements has led to more workers flocking to these gigs due to the potentially high pay that these workers can get and the added option of flexibility that they are provided³¹. Another shift has also been visible with the increase of contractual employees and freelancers. These individuals are usually brought about on a project/task basis and because they already possess specific skills and do not have the legal constraints that permanent employee contracts do, making them an attractive hire.

Similar insights were echoed in a survey conducted with Gen-Z professionals which showed that respondents believe they [Gen-Z professionals] have different expectations from work. One of the insights was that Gen-Z are more practical learners, even pitching for training to be oriented towards practical efforts. Other responses spoke about how they value flexibility and work-life integration more, want continuous learning opportunities, growth opportunities, open recognition, and feedback. They expect work to be tech-enabled and adaptive due to their digital nativity and fluency.

Generation Z is looked at as a generation that is “dreamier”- in the sense that they have a boundless career approach, and if they feel that the organisation is not meeting their expectations, they are likely to look for another job. They have

a non-organisational commitment and are dedicated to the company they work for as long as their expectations are met³². Hence, regardless of how effective the EVP might be, it cannot possibly satisfy all employees, making some level of attrition unavoidable.

With Gen-Z employees having more of a transactional relationship at work and the rise of flexible work systems across organisations, team building becomes more of a challenge. This mainly happens because different generations and different people have varying habits. Some of them may prefer to form social circles with work groups, while others may have their circles outside of work. The chances for creating work circles reduces and is a trade-off for increased flexibility. Hence, in order to nudge these team building sessions, organisations could potentially look at after-work hangs as a way to create camaraderie within the organisation. These sessions could be centred around the shared hobbies of employees to get them to bond better. This approach would not only negate the negative side effects brought about by increased flexibility but also help better manage a multi-generational workforce by capitalising on creating team building events that are based on shared hobbies.

As a result of the above changes, the EVP is now being redefined. What was once centred on pay and hierarchical progression must now account for purpose, flexibility, and holistic well-being, all while managing a multi-generational workforce with differences in expectations and ways of working³³.

³⁰ India Budget – Employment and skill development: Existential priorities

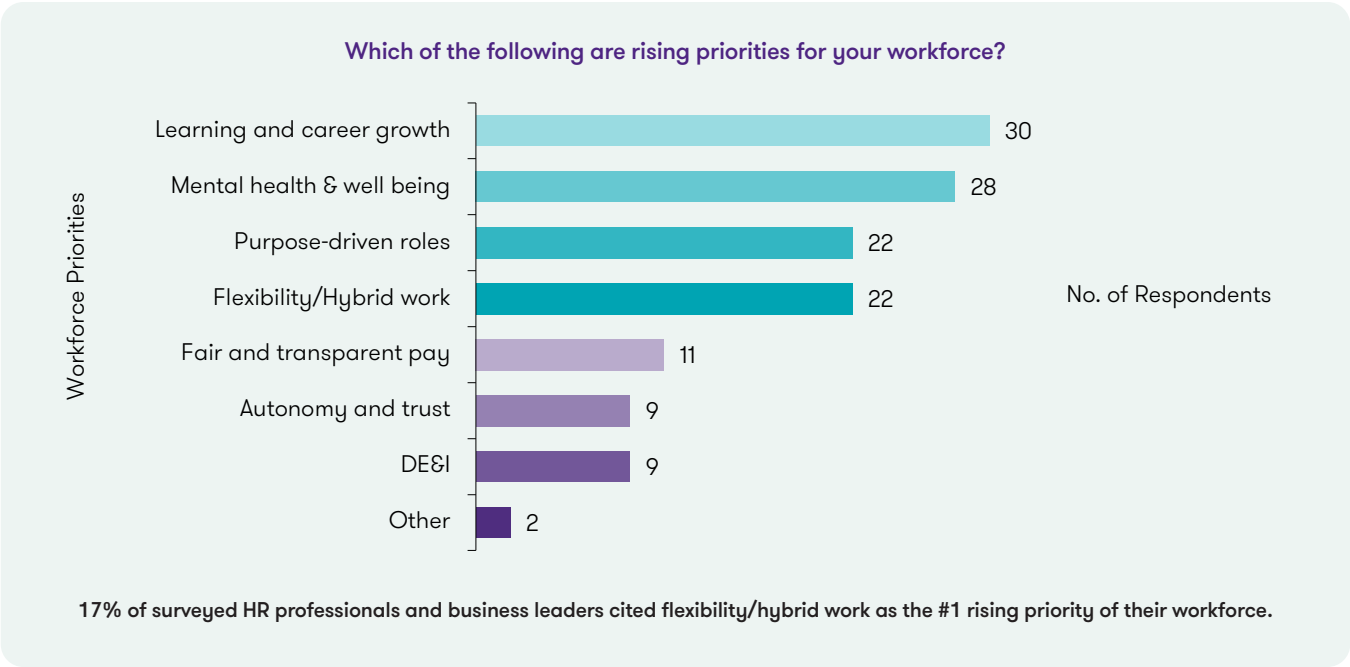
³¹ The Gig Economy and Informal Sector - Redefining Labour Markets in India

³² Research Gate - Role of Talent Management in Career Development of Generation Z: A Case Study of a Telecommunication Firm

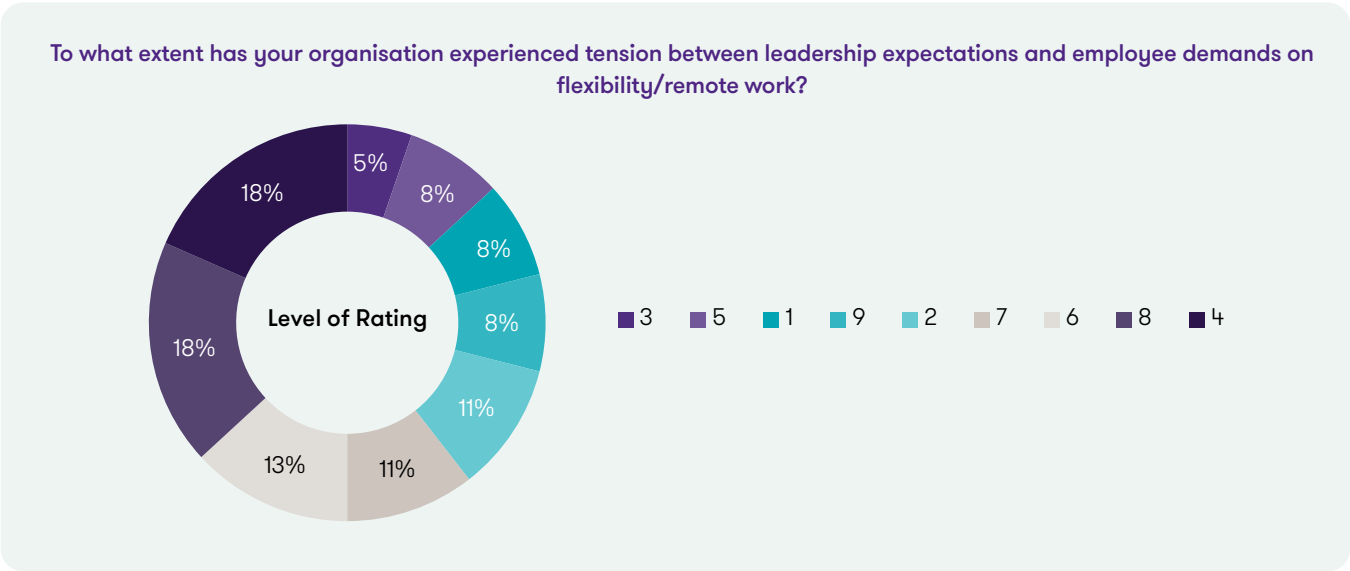
³³ Shri Dharmasthala Manjunatheshwara Institute for Management Development - Assessing the Impact of Gen Z Workplace Preferences on Self-Reported Performance

To better understand the EVP, business leaders must understand the underlying nuances that shape the workforce today:

Flexibility:



Even though this number might seem low at first, flexibility and remote work was by far the demand that had been echoed the most by Gen-Z workers to business and HR leaders, showing just how much of an importance it holds for this cohort. Gen-Z prioritises a work environment that is flexible in nature. The concept of flexibility has especially gained traction after Covid-19, with remote work continuing to be a norm in the post-Covid world. It has become a central part of the newly formed EVP as it caters to the work-life balance that both Gen-Z and millennials look for.

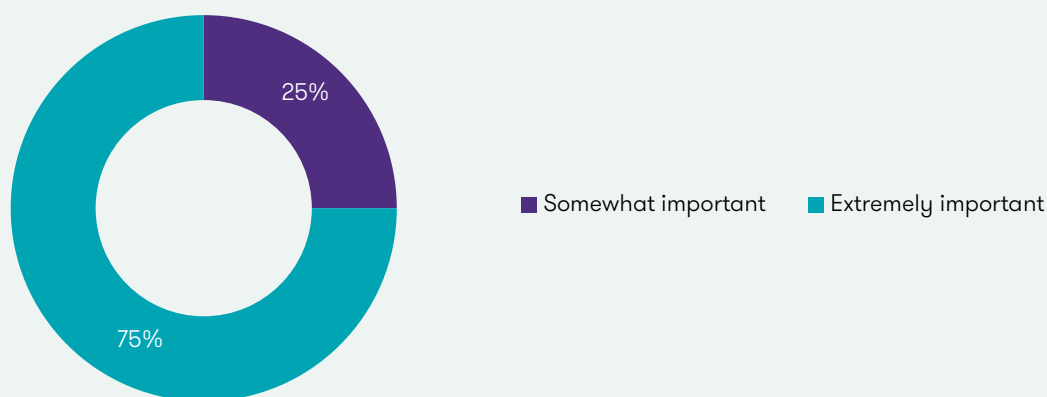


While results were scattered in the survey regarding conflicts due to flexibility, they still indicate that most business and HR leaders have experienced tension between leadership expectations and employee demands on flexibility/remote work, with 60% of respondents giving a rating of 6 or higher to the extent of such conflicts in the workplace.

Those employees who were allowed to select their working hours or work from any location enjoyed improved output. This highlights the need to develop, implement, and maintain flexible workplaces that fit personal requirements and ways of life.

Flexibility also helps employees be motivated as it allows them to align their work schedules with personal responsibilities, leading to a better work-life balance and reduced stress. This is particularly valuable for caregivers, students, and those managing health conditions. Flexibility doesn't just come in terms of working conditions, it also comes in terms of working hours. This is increasingly gaining traction, as more companies are spread over countries, and people have different personal commitments, time flexibility allows employees to work the hours that are the most suitable to them, and it is reported that employees exercising this benefit experience higher morale, lower burnout, and greater productivity³⁴.

Importance of flexibility



In fact, 75% of employees surveyed stated that flexibility (both location and time based) is extremely important in their decision to join or stay at a company.

For organisations, retention and recruitment are significantly influenced by flexible work arrangements. Employees are more likely to stay with and recommend organisations that offer them autonomy and trust. For Gen-Z especially, flexibility is not just a preference, it is a priority³⁵.

The importance of flexibility is once again evident by the rise of the gig workforce, as more individuals are increasingly flocking to these 'gigs' due to the flexibility it provides³⁶.

While remote working must be considered, the benefits of face-to-face communication also need to be noted. Employees surveyed cited that working face to face leads to better coordination, inclusion, improved iteration, less coordination delays, and relationship building that are brought about by working in the same physical environment as their colleagues and managers.

HR managers and business leaders today face the critical challenge of integrating remote work models while preserving the invaluable human connection and collaborative energy that come from in-person interactions.

³⁴ WEF - Assessing Impact: The Effectiveness of Workplace Work-Life Balance Programmes

³⁵ British Council - Equity and Inclusion in Flexible Work Arrangements: Empowering a Diverse Workforce

³⁶ India Budget - Employment and skill development: Existential priorities



Mental wellness and holistic well-being:

Mental wellness refers to a state of emotional, psychological, and social well-being where individuals can effectively manage stress, maintain fulfilling relationships, and make meaningful contributions to their personal and professional lives. It goes beyond the absence of mental illness and emphasises resilience, emotional regulation, and a sense of purpose. On the other hand, holistic well-being is a broader concept that encompasses multiple dimensions of health (mental, physical, social, spiritual, etc.) It recognises that these aspects are interconnected and that true well-being comes from being healthy in all areas of life³⁷.

The National Mental Health Survey (NMHS) conducted by NIMHANS supported by the Ministry of Health and Family Welfare, reveals that nearly 150 million Indians require mental health care, but fewer than 30 million receive it, indicating a treatment gap of 80%. This gap is most pronounced among working age adults (20-40 years), the most economically productive segment of the population. These untreated mental health conditions cause further trauma for the individual experiencing them but also lead to reduced productivity and absenteeism, increased disability and healthcare costs,

long-term economic strain on families, and lower labour force participation³⁸. In fact, 21% of surveyed HR and business leaders cited mental wellness as the #1 priority in their organisation.

To deal with both mental wellness and holistic well-being, organisations need to find a sweet spot – an intersection between these two. This can be defined in a workplace as “psychologically safe”. To create a workplace that is ‘psychologically safe’ in nature, employees must feel that they can express themselves without a fear of judgement or retaliation. When they feel psychologically safe, they are more likely to seek help, share concerns, and engage authentically. This openness fosters emotional resilience, reduces stress, and support overall well-being. In contrast, environments lacking psychological safety can suppress communication, increase anxiety, and discourage self-care, ultimately undermining both mental wellness and holistic health. The BANI world that we operate in only contributes to this stress and creates an additional barrier towards psychological safety, making it not just a priority, but a strategic imperative for organisations to foster environments where individuals feel safe, valued, and resilient.³⁹

^{37/39} US Public Health Service - Workplace Mental Health & Well-Being

³⁸ NIMHANS - Prevalence, Pattern and Outcomes

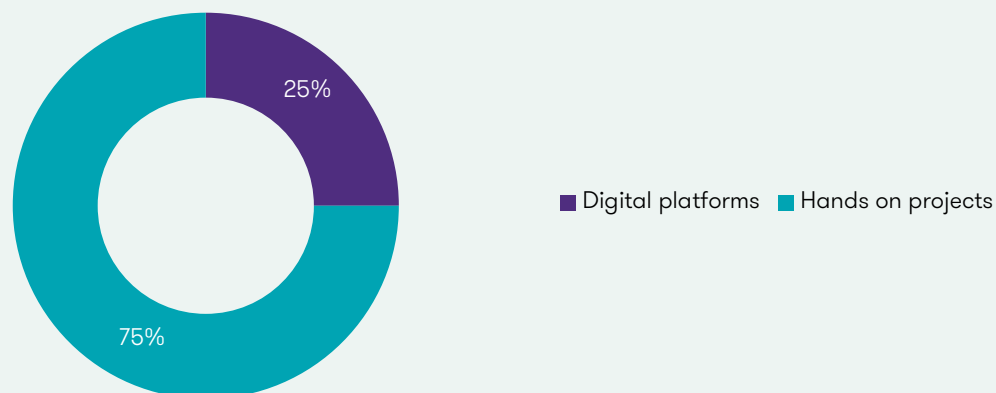


Career development & learning:

Learning and development was the utmost priority echoed by the workforce as showcased by our survey with HR and Business leaders, as it ranked at the top of the list with 23% of responses choosing Learning and career growth as #1 rising priority in the workforce. Additionally, learning and development are the most prioritised values among Gen Z individuals⁴⁰. Workforce 2.0 requires frequent skill acquisitions to keep up with rapid technological advancements and changing business needs. Gen-Z expects organisations to embed learning opportunities throughout their employment⁴¹.

In a BANI world, where non-linearity is a defining characteristic, it is especially true in terms of the career advancement that employees have. Previously organisations were contempt with having periodic appraisal cycles where all the feedback was provided. But Gen-Z sees career growth as a continuous cycle of learning, especially since they are aware of the opportunities technology provides them in terms of upskilling. Gen-Z employees have a preference for having constant feedback rather than just performance appraisals being conducted once or twice a year. Feedback helps engage employees and further helps them stimulate performance and self-development⁴².

How do you prefer to learn new skills at work?



With Generation Z being more tech-savvy, it would make sense that they would also prefer to learn online. However, there was a stark contrast with this hypothesis when survey results were considered as 75% of employees surveyed cited “hands-on projects” as the best way to learn new skills at work. This can likely be attributed to the over-abundance of organisations that

have begun to use technology to train their employees without any visible applications of the learnt skills. It provides advice to HR managers and C-suite executives to change their outlook on digital training programmes and try to incorporate the skills being learnt in work settings to keep employees motivated.

^{40,41} Generation Z and Workplace Values: Determining a Generation Z Hierarchy of Workplace Values that Influence Workplace Preferences

⁴² Shri Dharmasthala Manjunatheshwara Institute for Management Development - Assessing the Impact of Gen Z Workplace Preferences on Self-Reported Performance



We are entering an era where everything about work is being redefined; jobs, hierarchies, and even the meaning of skills and knowledge. Today, habits powered by technology will shape daily growth, with Learning & Development as the lever for HR to unlock latent potential and channel it into innovation.

Rajkamal Vempati

Head HR
Axis Bank

The survey conducted with Gen-Z employees additionally echoed similar insights regarding learning and development and how important it is to them. The responses showed that beyond promotions and salary increases, career growth is heavily centred around purpose, sense of want, and upskilling. Employees surveyed cited upskilling and improved skills, the independence to make decisions, and a connection to the overall purpose of the organisation as main reasons beyond promotions and salary hikes that would get them to believe organisations are invested in their long-term development. For organisations, this gives them a reason to invest in the development of employees and an incentive to keep them engaged. A potential way to start out would be getting the employees and managers more involved in the training and development process by understanding the skills managers feel are needed in the team and providing appropriate training opportunities while simultaneously matching it with skills employees may believe would benefit their career growth.

Through all this, a major challenge that managers and senior HR leaders have to deal with involves the battle of managing a multi-generational workforce. Different generations have different needs and different expectations from their workplace and these needs may clash with each other, creating opportunities for potential conflict. This is evident through the values, habits, and actions that generations showcase in the workplace. Gen-Z, due to them being digitally native, may prefer to communicate over text messages and may loathe calls. Whereas, millennials may prefer to connect over a call, and Gen-X may prefer face-to-face communication. This communication gap can cause difficulties, especially when an organisation is trying to introduce new technologies. Gen X may feel isolated in a workplace that mainly relies on digital communication, while Gen Z may be annoyed by the slow pace of traditional meetings. These communication breakdowns can contribute to a toxic work environment, negatively impacting employees' mental health, job satisfaction, and overall well-being⁴³.

Another conflict that arises is regarding managing people and their individual aspirations while also dealing with the speed of work and delivery. Moving people from a settled role to a new role will come with challenges. This is because in order to train employees in new units and skills for long-term growth, there is a short-term trade off that occurs in terms of the work and delivery. With increased speed and adaptability in our business environment, organisations are also plagued with challenges regarding how to maintain psychologically safe spaces and ascertaining rewards and recognition events that provoke excitement and provide incentive.

To now evaluate your workforce with these core changes and understand the EVP of employees, firms must understand what it is that employees want through first-hand experience. This would involve understanding what the workforce is looking on based on its demographics and catering to their needs accordingly. For example, a recent college graduate may be looking for a modest pay package with good upskilling opportunities in their field of study. However, a 30-year-old mother rejoining her firm post maternity leave might have completely different requirements. Hence, organisations must notice these demographic requirements and have more personalized EVPs, those that help target employees more specifically. Some ways to do this are:

- **Continuous listening:** Using a people-first approach to understand what employees are communicating as important needs. This can be done through large scale surveys, shorter pulse checks, and real time sentiment analysis.
- **Looking outward as much as inward:** Looking at what your competitors are doing to retain employees and framing your value proposition in a way that entices employees to join or stay at your organisation and clearly communicating your value proposition to employees. Can be done through benchmarking exercises.

⁴³ International Journal of Academic Research in Business and Social Sciences - Ageless Collaboration: From Boomers to Gen Z, Thriving in the Era of Multigenerational Workforces

Evaluating the Employee Value Proposition (EVP)



The 3D EVP model: Rethinking talent experience for a new generation:

Stage	What it addresses	Actionable steps	Interventions (reskilling)	Interventions (innovation)
D- Development	Firms must nurture growth, recognition, and purpose	<p>Develop employees through real leadership experiences</p> <p>Reward and recognise employees appropriately for their contributions</p> <p>Show transparency and value employee input</p>	Shadow boards: Pairing star employees with managers for mentorship programmes where they shadow their managers and see how decisions are made in real-time	<p>Reward ideas and let all employees pitch</p> <p>Transparency dashboards show employee input and accountability</p>
D- Design	Identification of needs, training and development, team building	<p>Identifying deviations in employee needs and resolving them before they spill over</p> <p>Make AI available to all employees so they can upskill themselves and be more efficient</p> <p>Increase camaraderie between employees after work is over</p>	Train managers in soft skills so they can deal with conflicts, be more transparent, and encourage motivation and increase morale within their team	<p>Adopt low code/no code prototyping platforms so employees at all levels can use these tools</p> <p>Introduce innovative team building activities to encourage “after work hangs”</p>
D- Differentiation	Beyond pay and flexibility – Gen Z employees also want purpose in the organisation they work	<p>Strengthen your EVP</p> <p>Enable employees to job craft</p>	<p>Train managers on continuously tracking employee sentiments</p> <p>Train managers to benchmark current organisational EVP and practices with competitors</p>	<p>“Goal alignment workshops” – Understand the key goals of employees in their personal careers and link these to organisational goals, creating a sense of common purpose</p> <p>Continuous listening programmes: Have managers constantly track what their team thinks and keep notes on evolving expectations</p>

3 key takeaways from this section:

Shifting employee needs and demographics challenge firms

Flexibility, well-being, and growth are no longer perks, rather they are core aspects of your people strategy

Continuous listening to the needs of employees and co-creation help keep your EVP relevant and competitive

A woman with dark hair tied back, wearing glasses and a black button-down shirt, is smiling and looking at a laptop screen. She is in a modern office with glass partitions and warm lighting. In the background, another person is visible working at a desk. A large green plant is on the left. The bottom of the image features a dark purple curved overlay containing the page number and title.

04

Technology's tipping point: Rethinking work, roles, and structures

Technology has reshaped the business environment for decades now, in fact for Gen-Z, it's been present for their whole lives, that's why we call them "digital natives". Yet, due to its radical advancement and history of launching older systems into expiration, it reshapes our society even today. With the rise of new technologies including but not limited to Gen AI, Agentic AI, Internet of Things (IoT) and SaaS systems, the way professionals approach work has altogether changed.

An example of this is when making Job Descriptions (JDs). Formulating JDs used to earlier take hours on end and had to be formatted and checked to meet certain requirements repeatedly; this meant more time, money, and effort. With AI gaining traction around 2022, increased specialization became popular, and AI tools specifically designed for certain tasks were created.

As AI continues to shape the future of workforce 2.0, India's predominantly services-driven economy, coupled with its young and dynamic population, offers a fertile ground for leveraging the benefits of emerging technologies, only if proactively and carefully managed⁴⁴. AI talent concentration in India has grown by 263% since 2016, positioning the country as a major AI hub, and is home to a staggering 16% of the world's AI talent. The demand for AI professionals in India is projected to reach 1 million by 2026⁴⁵.

Many employees today still continue to fear AI and the job displacement this is likely to bring about. Sources show that jobs with basic skills face higher risks of being entirely automated, whereas the job displacement estimates for medium to high skill jobs due to AI may not be as high as certain estimates, due to the inherent limitations of AI⁴⁶. These are further echoed by the following pointers:

- **Unreliability:** In most day-to-day use cases involving personal use, even an error rate of 10% would not have any significant impact since the user would most likely identify the error and correct it. For something like an AI chatbot, it may have multiple opportunities to correct user queries and may even have the ability to redirect conversations to human agents as and when required. However, this error rate becomes significantly more problematic when the use case is changed, and the work becomes more important. In the instance of a driverless car if the machine makes an error of 10% it could result in frequent problems, and in fatal

cases, even death of the passengers or damage to other pedestrians/cars. Even in terms of recruitment it was found that AI preferred male applicants due to the large number of males in its training sample. Some other concerns regarding the reliability of AI stem from accountability. With more humans using AI in decision-making, they are not as tied to their actions and are likely to feel less accountable for them⁴⁷.

- **Infrastructure:** Throughout other revolutions (industrial revolution, age of internet) in history, infrastructure has always been important to ensure the revolution gains traction. Initial systems would begin to get set up when the technology was launched, and over time, once it proved itself, additional capital would be pushed into the market to provide infrastructure. Infrastructure in the case of AI, is not as straightforward as in previous technological revolutions since its requirements transcend the physical realm. Data is the main source of infrastructure for AI. AI cannot be trained on raw data since raw data will be highly prone to biasing the model. Additionally, the data could include unwanted information like vulgar content, leading the model to respond unexpectedly. Hence, data cleaning is often performed by humans to understand the appropriate information to feed the model, but this also has its limitations since data cleaning is also likely to have its own biases⁴⁸.
- **Sustainability of models:** With most innovations, as the early majority begin consumption of the product, costs usually begin to fall. This has not been the case with AI. Even though AI has reached more users, the costs continue to be on the rise. Due to the high costs and the navigational difficulties brought about by the BANI world, implementing AI can be seen as overwhelming as there is a lack of certainty regarding the success of individual technologies or models. AI's high water and energy costs also place further doubt on the efficiency of such a technology in the long run⁴⁹.

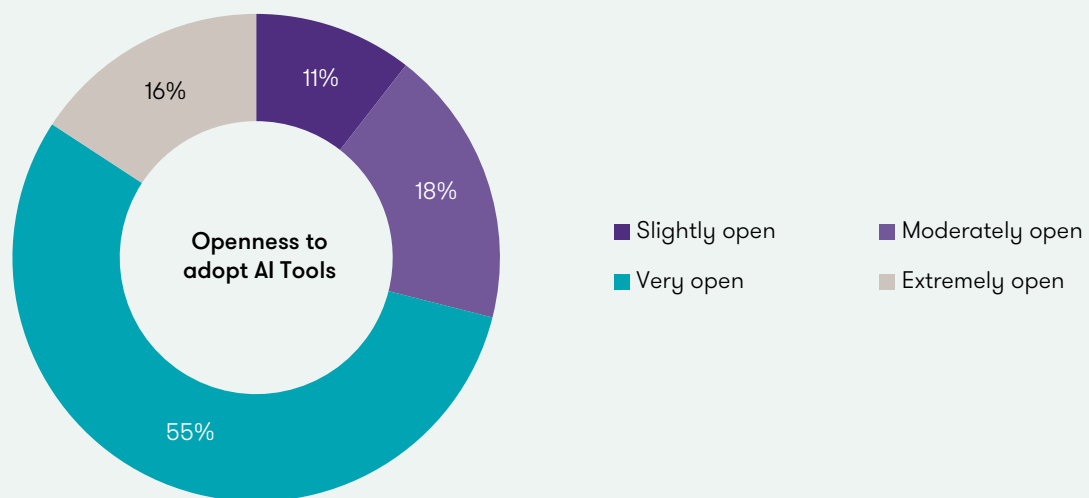
While fears of AI and job displacement will continue to exist, these should not be too alarming as of now. Although, organisations must begin incorporating AI skills into the workforce and create roadmaps for future AI adoption and usage across business units in their organisation. To understand where organisations presently stand, a survey was conducted with HR and business leaders, and they presently stand.

⁴⁴ ,46,47,48,49 | India Budget – Labour in the AI era : Crisis or catalyst?

⁴⁵ Press Information Bureau - India's AI Revolution



How open would you say your team is to adopting new digital tools and AI-driven solutions in HR operations?



80% of respondents said they are very open or extremely open to adopting these tools and AI solutions in their operations, indicating high awareness and a willingness to adapt to changing circumstances. However, organisations do not seem too confident with their current state, as 50% of business and HR leaders stated that while they have begun implementing

some digital and AI tools as a part of work, most of them lack a clear roadmap on proceeding ahead and an even lesser percentage of business and HR leaders are able to consistently leverage the capabilities of digital and AI tools to enhance operations and decision making.

How well equipped would you say your organisation is to meet the demands of a digital-first world shaped by AI?



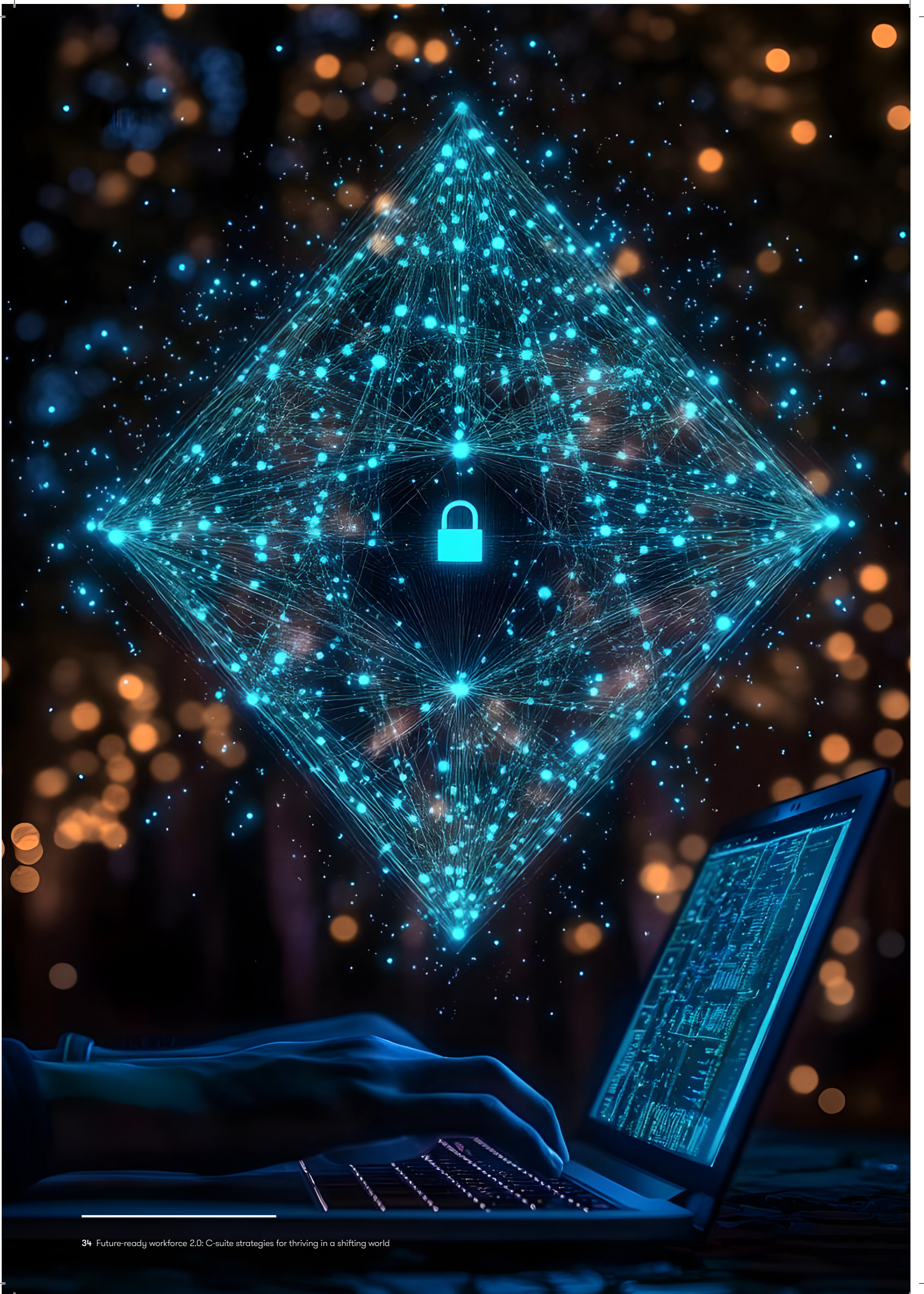
Well equipped to meet the demands of digital-first world

This sense of confidence also varied based on industries. AI and experiential tech companies were obviously the best prepared for adoption of new AI and digital tools. Most sectors, notably the agriculture, banking, EPC and asset management, healthcare and pharmaceuticals, legal and consultancy services, manufacturing, media, telecommunications, travel, and the public sector mainly reported they are beginning to implement some digital and AI tools. This is likely due to the fact that AI adoption comes with a significant level of barriers that have made it hard for organisations to adopt such technologies. Some industries still seemingly lag behind, as the consumer goods and retail industry with the education industry stated that they are still in the ages of early digital transformation.

With the benefits of adopting AI repeatedly being communicated to organisations and CXOs across sectors, why is adoption not reflecting these attitudes? If 80% of respondents are very/extremely open to adopting digital & AI tools and technologies, then why do 50% of them not have a roadmap on implementing AI into their organisation by now? To get a better understanding of this, we must understand some barriers that are present in the workforce and that push against AI adoption in organisations:

- **Data security and privacy issues:** AI solutions built on Machine Learning are based on a huge volume of confidential data, which are often sensitive and personal in nature. AI often makes mistakes and may give ambiguous answers⁵⁰. AI is susceptible to attacks aimed at extracting the data used by AI algorithms and hackers can also manipulate these AI systems to confuse/manipulate the AI systems to their advantage⁵¹. Security and data privacy concerns was tied for the most prevalent reason slowing down AI adoption in organisations according to the survey with HR and business leaders.
- **Limited AI expertise and lack of investment to implement AI solutions:** AI requires highly trained and skilled professionals, but being an emerging technology, the talent pool is limited⁵². Limited awareness or understanding of AI's potential was tied as the most prevalent reason slowing down AI adoption in organisations. Furthermore, transforming manual processes into automated processes would require significant capital, creating an additional barrier to AI adoption⁵³.
- **Lack of data and poor data quality:** Due to biases present in data, these can further be reflected in the AI model and skew results.

^{50,51,52,53} India AI - Five challenges for AI adoption in India – and what are we doing about them?





Leaders must be encouraged to act as enablers; they do this by coaching their teams, building trust in uncertain environments, and help people navigate ambiguity with confidence. Coordination and influence are less about structure, and more about trust, mobility, distributed leadership, and an open culture.

Lakshmi C

Senior Managing Director – CHRO
Accenture India

Along with this, the nature of work has also changed with AI. Structures have become more fluid, and the way organisations think about coordination and leadership has evolved. Today, leaders are expected to demonstrate high-trust behaviours, listen actively, and challenge the status quo all while collaborating across fluid team structures. In order to do this,

leaders must be enabled with the right types of resources, data points, and tools to be able to incorporate insights effectively. Leaders also must work across time zones and cultures, while investing in key points of contact with different employees to further strengthen the sense of purpose that employees have in an organisation.



AI is not a complete replacement, but it is a surrogacy. It will do HR tasks in a much faster and effective way without the same levels of fatigue and compensation metrics, but it still requires further synchronization with systems, as right now AI systems are still isolated islands of excellence.

Capt. Shantanu Chakravorty

Chief Learning Officer
Suzlon Group

For AI to reach higher levels of adoption and to complete work more efficiently, it requires significant amounts of capital expenditure, which is a significant barrier. Another significant barrier is the learning curve that is present which is outlined by uncertainty. HR professionals and managers are facing significant difficulty in predicting what skills can be next up to define the business environment. This all culminates into a loss of control for humans. AI can now take over a lot more of the transactional work that HR systems are used to doing, and in the future it can perhaps even take on more strategic initiatives, but that is something only time will tell.

Regarding changes in the workforce brought about by AI, most respondents cited a shift from traditional roles to skill-based deployment (47%) while some mentioned a greater demand for cross-functional teams as main reasons.

Further elaborating his thoughts, Capt. Shantanu also spoke about how skill-based employment is becoming increasingly more important in today's workforce, reiterating that those with skills in AI and those who can leverage the capabilities of these digital tools and systems are going to be the defining workforce characteristic in Workforce 2.0.

AI must be incorporated into the very core of business strategy to truly be effective. AI cannot just be used to help employees complete their work, rather organisations must invest in a strong digital core, a strong governance framework, and reimagine and reinvent workflows along with humans to further enhance the experience, improve efficiencies, and increase the speed of delivery. To get this strategy to succeed, another imperative is to have a culture that is focused on learning and continuous reskilling and upskilling to keep employees up to date and better deal with the nuances of Workforce 2.0.



Rethinking work, roles, and structures with rapid technological shifts



THRIVE: Rethinking work, roles, and structures in the age of AI

Stage	What it addresses	Actionable steps	Interventions (reskilling)	Interventions (innovation)
T- Triage	Recognising AI and digital tools adoption issues and working to improve these	Exploring AI use cases to support employees while addressing data security and privacy concerns	Problem-to-AI workshops help employees solve real challenges using approved AI tools Teach employees when human intervention is essential to safeguard data privacy and security	Identify early AI use cases by asking teams about their most time-consuming and repetitive tasks Maintain an internal list of AI skills and projects using approved tools
H- Harden the foundation	Build a strong foundation to prepare the workforce for the AI era	Train managers on AI tools, ensure ethical compliance, and maintain a repository of approved solutions	Train employees on ethical and compliance standards for responsible AI use	Maintain and update a repository of organisation-approved AI tools, including new market entrants
R- Reimagine work	Redesign roles and workflows with AI at the core, moving beyond simple automation	Build systems for AI adoption, human-tech collaboration, training integration, and periodic digital implementation roadmaps	Reskill workforce for human-AI synergy (creativity, empathy, storytelling) Use AI dashboards to assess strengths, weaknesses, and personalise training	HR and managers collaborate to identify AI skills for evolving work environments Build AI skills into resumes and workflows Create a 3-month AI roadmap with regular iterations and updates
I- Integrate intelligence	Integrate and leverage digital tools across the workforce	After creating the AI roadmap, start leveraging tools to support operational functions effectively	Upskill managers on all aspects of AI-augmented leadership	Deploy AI to identify hidden inefficiencies in workflows and use A/B testing and AI powered simulations
V- Value creation	Use value-creating activities and technology to benefit the organisation	Using customer insights appropriately and evaluating use cases for new digital tools	Train managers on using AI for customer insights and communicate them effectively	Have managers evaluate their teams and spot AI opportunities
E- Evolve continuously	Prevent stagnation by preparing firms for Workforce 2.0 and beyond	Create autonomous systems that inspire evolution and incorporate new insights and models into work	HR creates role-evolution forms for employees, managers to guide future training	Benchmark organisational practices with competitors Partner with government bodies for credible insights on AI's future in India

3 key takeaways from this section:

Shifting employee needs and demographics challenge firms

Human-technology collaboration thrives on ethical transparency and purposeful investment

Continuous listening to the needs of employees and co-creation help keep your EVP relevant and competitive



Conclusion

Incomprehensibility. Perhaps, the one word that perfectly encapsulates the essence of Workforce 2.0. Systems that do not make sense, rapid shifts in multiple areas, and uncertainty so high, it negates predictability. In addition, the changing Employee Value Proposition and rapid technological shifts further add to this sense of incomprehensibility, confusing business and HR leaders on how to incorporate these changes to rework their value propositions and how to effectively delve into this age of AI.

The risk is clear: cling to old models, and the characteristics of Workforce 2.0 would render you obsolete. However, as India deals with AI in the economy, the lessons of past technological revolutions underscore the critical importance of proactive institutional response. The time afforded now must be used wisely to minimize the adverse effects of the changing business environment, so proactive organisations can gain a competitive advantage.

“You need to ask yourself when was the last time that you did anything for the first time?”

This doesn’t necessarily apply to your work demands, but also in your personal lives.

Brought out by Capt. Shantanu Chakravorty, it gives us all something to reflect on. He also mentions that for a team to be successful, the proper tools, the curiosity, and the hunger is what must be present. While this hunger involves a certain element of risk, it is necessary for an organisation to keep its position in the business environment today.

Additionally, while fears of labour displacement will continue to remain and plague the workforce, especially during the foreseeable future, employees must focus on developing their skills to keep them in demand – which fortunately has never been easier due to the rapid technological shifts that presently shape our economy and new workforce models like the gig economy being present today, allowing individuals to offer their skills based on demand. These fears may also be overstated, especially due to the significant barriers that exist in implementing AI tools in organisations. Although, organisations must not ignore the future of the Workforce and must adapt to AI demands, and while nobody knows how long these changes may last, the corporate sector must utilise this window of time available, especially in this initial stage, to take advantage of AI and leverage these digital capabilities in the workforce⁵⁴.

Indian corporates must also take into account the risks of AI security and governance, proactively behaving in a manner that doesn’t affect the legitimacy of their information and doesn’t skew results to a point where they are no longer applicable.

⁵⁴ India Budget – Labour in the AI era: Crisis or catalyst?



About FICCI

Established in 1927, Federation of Indian Chambers of Commerce & Industry is the largest and oldest apex business organisation in India. A non-government, not-for-profit organisation, FICCI is the voice of India's business and industry. FICCI has direct membership of over 3000 corporate, including SMEs and MNCs, as well as public sectors and more than 500 chambers of commerce and business associations, and an indirect membership of companies from regional chambers of commerce. FICCI espouses the shared vision of Indian businesses and speaks directly and indirectly for over 250,000 business units. FICCI maintains the lead as the proactive business solution provider through research, interactions at the highest political level and global networking.

FICCI works closely with the government on policy issues, enhancing efficiency, competitiveness and expanding business

opportunities for industry through a range of specialized services and global linkages. It also provides a platform for sector-specific consensus building and networking. FICCI has a national network with 20 states. Partnerships with 77 countries across the world carry forward our initiatives in inclusive development, which encompass health, education, livelihood, governance and skill development.

FICCI serves as the first port of call for Indian industry and the international business community. Our presence is in regions such as Africa, Arab, Israel, Asia Pacific, East Asia, Europe, Latin America, the Caribbean, North America, South Asia, etc. FICCI is also involved with diaspora engagement, forum of parliamentarians, Commonwealth of Independent States (CIS), multilateral, international policy, and strategy.

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Notes

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