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HR's guide to enterprise AI adoption: Strategies for AI governance and workforce engagement

A research-driven perspective

HR's guide to enterprise AI adoption: Strategies for AI governance and workforce engagement

This paper provides HR leaders with a comprehensive guide to successfully integrating **artificial intelligence (AI)** into their organizations. It explores the state of AI adoption, highlights key barriers, and presents actionable strategies focusing on governance models and adoption interventions to overcome them. Backed by research insights gathered from HR professionals, managers, and individual contributors, HR leaders can unlock the full potential of AI while ensuring ethical and effective implementation.

AI has quickly emerged as a valuable tool for achieving business outcomes, especially within the HR function. HR leaders expect AI to maximize productivity and efficiency, enhance employee experiences, improve data quality and access, and allow employees across the business to do more meaningful work. Most organizations are aware and excited about the value that AI can bring to the HR function. However, realizing these investments in AI requires businesses to adopt it and use it to its full potential.

Barriers to greater AI adoption

Our research has shown that organizations face the following barriers to greater AI adoption:

1

Incomplete AI governance models

Organizations lack the decision-making criteria, resources, and internal expertise needed to create a comprehensive and functional governance model for AI.

“The number of ideas for AI is endless. But we don’t know how to decide which ideas to really invest in, or whether we have resources to keep them up and running.”

– A global head of HR technologies at a mill products and mining organization

2

Legal concerns about AI

The legal landscape not only limits the AI use cases that organizations can adopt without major risk, but it is also constantly changing and inconsistent across regions.

“Yes, we’re compliant today, but how can I feel confident I’ll be compliant, literally, tomorrow?”

– A VP of people and culture at a professional services organization

3

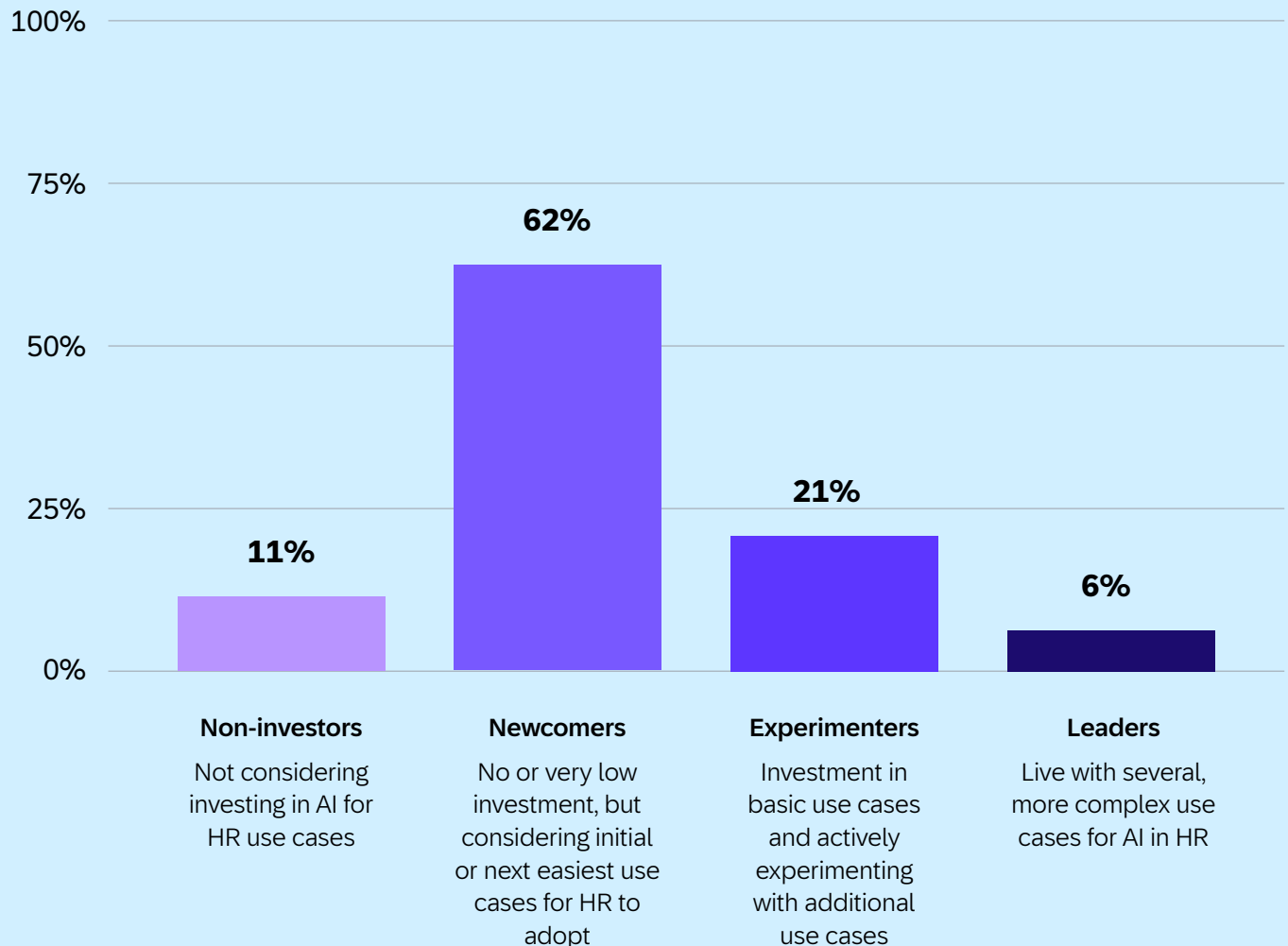
Psychological barriers

HR leaders need to overcome psychological barriers – such as insecurity and hesitancy – that keep employees from embracing AI tools at work.

“How do we encourage people to disrupt their own jobs? It’s difficult. Granted, these are bigger, faster changes, but change has happened before: think about the days of math teachers protesting calculators. We need to help people positively embrace it.”

– A VP of global people strategy and development at a consumer products organization

What is the current state of AI investment for the HR function?

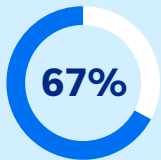


Source: Data from interviews with 79 HR and IT professionals from 59 SAP SuccessFactors customer organizations across regions and industries. See back cover for full methodology.

Creating an AI governance model to make smart (and compliant) decisions

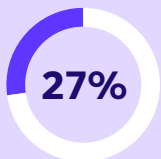
The current state of governance for AI in HR

An AI governance model is a set of principles, processes, and policies designed to ensure an organization's development, selection, deployment, and use of AI systems are **ethical** and effective. Currently, the state of governance for AI in the HR function lacks maturity. Of the organizations we interviewed . . .



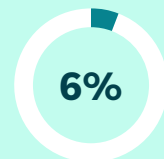
... two-thirds (67%) did not have any AI governance model at all.

- In most organizations, an AI governance model was being developed, and the company had some basic legal parameters or ethical guidance to offer. These companies anticipated expanding the comprehensiveness and complexity of their governance models in the near future.
- Instead of creating a governance model specific to AI technologies, some companies said they plan to treat AI like any other technology and will leverage the same existing governance model they have for other technology purchases.
- In some cases, companies had no governance model at all. These companies tended to rely on regional or country-level external governance, such as Singapore's Model AI Governance Framework and the European Union's AI Act.



... one-quarter (27%) have a governance model for AI, but not for AI specifically in HR.

- Though there was not an HR-specific model, in most cases, the HR function did have representation in their organizations' AI governance model and served as a key stakeholder. Still, others expressed a need to ensure HR is more involved in making decisions.
- Some expressed hesitancy about the idea of developing an HR-specific AI governance model due to the variability in regulations across regions.



... very few (6%) have a governance model for AI in HR.

- These more mature organizations often have specific roles of centers of excellence that own AI in HR and are included as a key stakeholder in their AI governance models.

What to consider when developing an AI governance model

What stakeholders should be included (for example, in making decisions, monitoring and auditing, and being held accountable)?

HR (or a group within the HR function)

HRIT/
HRIS

Legal,
security,
and data
protection

Procurement

Information
technology
(IT)

Other
C-suite
members

Where will the budget for AI projects come from?

A
designated
AI budget
for HR

A
designated
technology
budget for
HR

A general
HR function
budget

A general
IT function
budget

An
enterprise-
wide
technology
budget

An
enterprise-
wide AI
budget

What criteria should guide AI purchasing decisions?

The cost of the AI tool
and expected return
on its investment

The AI tool's
compliance with
internal and external
legal and ethical
standards

The maturity of
the AI tool

The AI tool's fit within
the organization's
existing technology
landscape

78% of organizations do not have a specific budget for AI investments.



Implementing interventions to improve AI adoption

The role of HR and organizational leaders in improving AI adoption

AI adoption interventions must be multi-faceted and cross-functional to maximize success. According to the HR and IT representatives we interviewed, HR is uniquely positioned to improve AI adoption in three ways:

- First, HR leaders can adopt (or endorse the adoption of) low-effort, high-reward AI use cases when starting to invest in AI tools. These use cases are likely to prove the business value of AI quickly and clearly, securing greater buy-in from decision-makers and greater adoption by the workforce.
- Second, HR can provide appropriate training to improve AI literacy and skills and build a learning culture that encourages and provides time for experimenting with AI tools.
- Third and finally, HR's expertise in change management and communications can help employees understand new AI tools and their impact to address fears and hesitancy about AI.

Organizational leaders also have important roles to play in improving the adoption of AI:

- Leaders must establish an enterprise-level AI strategy to guide the business's prioritization, implementation, and adoption of AI tools.
- To execute that AI strategy, leaders must prioritize the development of resources for comprehensive AI governance models to ensure the strategic alignment of AI decisions and improve employee confidence in AI tools.
- Finally, organizational leaders must role model the AI adoption they hope to see from the workforce by exemplifying AI literacy, AI skills, and AI usage themselves.

Improving AI adoption in your organization

The best way to understand what employees need to adopt a new AI tool is to ask employees themselves what would be most useful to them. We asked our sample of 4,023 global employees and managers about several AI adoption interventions and found that the workforce needs the following to start using new AI tools (ranked by likelihood of increasing adoption):

- 1 Control over the data they give to the tool
- 2 Opportunities to “try out” the new tool
- 3 Training and support for using the new tool
- 4 An understanding of how the tool works
- 5 Reward and recognition for using the new tool
- 6 An understanding of the new tool’s impact
- 7 An understanding of their company’s rules about using AI
- 8 A company AI ethics program
- 9 Social support for using the new tool
- 10 The ability to give feedback about the new tool

It is important to validate the importance and feasibility of these AI adoption interventions within your workforce, considering factors like cultural norms, industry standards, and existing strategies or structures that could support them. But it is clear from the rankings among our global and cross-industry standards that organizations have many avenues to improve AI adoption, and their HR teams and organizational leaders have significant roles in those efforts.



Conclusion

Organizations can only realize the value of investing in AI by ensuring their business has appropriate governance in place to make strategic AI decisions and that their workforce has the information, skills, and support they need to integrate AI tools into their work. Considering AI governance models and AI adoption interventions as key components to their overall AI strategies will set companies up for success in investing in AI.



Learn more about [how to use AI as a catalyst for productivity and growth](#).



Watch the webcast, “2025 HR Trends: Turning AI Expectations into Impact,” to [gain expert guidance on the latest HR trends and real-world insights](#) on leveraging AI for business success.

Methodology

This research, by the **HR research scientists at SAP SuccessFactors**, was informed by:

Interviews with **79** HR and IT professionals from **59** SAP SuccessFactors customer organizations across regions and industries. Roles included HR technology administrators, leaders of HR technology and HR functional areas, AI leaders, and HR executives.

Quantitative survey responses from **4,023** full-time permanent employees across regions and industries. The sample included **1,413** individual contributors (**35%**) and **2,610** people managers (**65%**).



Discover how to improve AI literacy and AI readiness across your organization.



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