CHRO

Who Owns the Future of Work?

A Board-Level Perspective on AI, Work Capital, and Executive Accountability.

A Five Opportunities Position Paper

August 2026

Executive Summary

Organizations have spent the last three decades treating transformation as a technology problem. Digital transformation focused on systems. Cloud transformation focused on infrastructure. Data transformation focused on information. Artificial intelligence is different.

AI is not primarily changing systems, infrastructure, or information. AI is changing work itself. As organizations deploy copilots, agents, automation platforms, and generative AI solutions, the primary challenges are not technical. *They involve job design, workforce architecture, organizational structures, decision rights, accountability models, workforce planning, skills evolution, and capacity allocation*.

> ***If AI is transforming work, which executive should be accountable for how work changes?***

Most organizations default that responsibility to technology leaders. Yet the executive historically responsible for workforce architecture, organizational design, workforce planning, skills strategy, change management, and workforce governance is the Chief Human Resources Officer.

<u>The conclusion is becoming increasingly difficult to ignore:</u> the best positioned executive to lead AI transformation is the CHRO. <u>Not</u> because AI is a human resources initiative, <u>not</u> because HR owns technology, <u>but because</u> AI is fundamentally a work transformation.

The Wrong Question

Many organizations continue asking the wrong questions about AI:

- Which AI platform should we deploy?
- Which models should we use?
- Which vendor should we select?
- Which licenses should we purchase?
- Which agents should we build?

These are important questions. They are not the most important questions. The more important questions are:

- What work exists, and why does it exist?
- What work should continue, be redesigned, be absorbed, or disappear?
- How should recovered capacity be redeployed?

Those questions determine whether AI creates economic value or simply adds another layer of enterprise technology. In many organizations, AI initiatives begin with technology selection. As a result, leaders accelerate inefficient work, automate low-value activities, and struggle to demonstrate measurable economic outcomes. Pilot sprawl, unclear ownership, workflow integration challenges, and tool-first thinking are recurring contributors to AI initiative failures.

The problem is not AI. The problem is where organizations start.

Why Boards Should Care

Boards are not responsible for technology implementation. Boards are responsible for enterprise value. AI affects enterprise value through only one mechanism: work changes.

> ***When work changes; capacity changes, labor demand changes, organizational structures change, economic outputs change, and shareholder value changes.***

Technology is an enabler. Work is the economic engine. This distinction matters because executive accountability should follow the source of value creation.

Historically, enterprise leadership responsibilities have been relatively clear:

Executive	Governing Domain
CFO	Financial Capital
CIO	Technology Platforms
COO	Operational Execution
CISO	Trust, Security & Risk
CHRO	Human Capital

The AI era introduces a new strategic asset that few organizations formally manage today: **Work Capital**. Whoever governs Work Capital governs the most consequential dimension of AI transformation.

The Rise of Work Capital

Every organization possesses a finite amount of productive work capacity distributed across departments, teams, processes, systems, and roles. Historically, organizations managed people, technology, and money. They rarely managed work itself.

AI changes that equation. As intelligent systems absorb tasks, automate decisions, and coordinate activities previously requiring human labor, work becomes a strategic asset that can be measured, redesigned, redirected, and optimized.

Work Capital represents the total productive work capacity available to an enterprise, and it is now a governable strategic asset.

Once viewed through this lens, a new leadership question emerges: who should govern Work Capital? The answer naturally points toward the executive responsible for workforce architecture and organizational design, the CHRO.

Why the CHRO Is the Logical Leader

The strongest argument for CHRO leadership is not based on HR. It is based on accountability. The central question in AI transformation is: how should work change? No executive sits closer to that question than the CHRO.

The CHRO already owns the domains most directly impacted by AI:

- Workforce planning and organizational design
- Skills strategy and workforce capability
- Change management and leadership development
- Workforce governance and talent architecture

AI directly impacts every one of those responsibilities. The CIO can determine how technology is deployed. The CTO can determine what technologies are possible. The CFO can validate economic outcomes. The COO can operationalize change. The CISO can manage governance and risk. The CHRO is uniquely positioned to determine how work should evolve, and that decision sits upstream of every technology decision.

The Economic Chain That Changes Everything

The strongest argument for CHRO leadership is ultimately an economic argument. The value chain can be expressed simply:

Work Redesigned	Capacity Recovered	Economics Improve	**Enterprise Value Increases**

Every successful AI initiative follows this chain. When boards focus exclusively on technology deployment, they measure implementation activity. When boards focus on work transformation, they measure value creation.

This shift transforms the CHRO from a steward of human capital into a steward of enterprise capacity. One of the most significant opportunities for executive leadership evolution in decades.

A New Executive Leadership Mandate

The future leadership model is not CHRO versus CIO. That debate misses the point. The most effective organizations will align responsibilities around accountability:

- CEO owns strategy.
- CHRO owns work transformation.
- CFO validates economics.
- CIO executes technology enablement.
- CISO manages governance and risk.
- COO operationalizes adoption.

Each executive retains a critical role. However, accountability for work transformation becomes distinct from accountability for technology execution. That distinction may ultimately determine which organizations create value from AI, and which organizations simply deploy it.

Board Considerations

Digital transformation elevated the CIO. Cloud transformation elevated the CTO. The AI era may elevate the CHRO. *Not because AI is primarily about people, and not because AI is primarily about technology, but because AI is fundamentally about* work.

Boards overseeing AI initiatives should consider the following questions:

- Has the board formally identified who owns work transformation accountability at the executive level?
- Is the organization measuring AI initiatives by work outcomes and capacity recovery, or by technology deployment?
- Does the CHRO have a seat at the AI governance table with meaningful authority over workforce architecture decisions?
- Is Work Capital tracked and reported as a strategic asset alongside financial capital and technology infrastructure?
- When AI initiative failures occur, is the root cause analysis focused on work design or technology selection?

> ***When work becomes the primary asset being transformed, the executive responsible for governing work becomes the most logical leader of the transformation itself.***

About Five Opportunities

Five Opportunities is a strategic advisory practice helping organizations navigate the intersection of AI, workforce design, and enterprise value creation. This document was authored by Richard Francart, Founder of Five Opportunities and Creator of Work-First Decision Intelligence (WFDI) and the Job Collapsing Intelligence Platform (JCIP).

Website: www.fiveopportunities.com
Email: ai@fiveopportunities.com

