Talking Point is being held on the lands of the Boonwurrung and Wurundjeri Woi Wurrung people of the Kulin Nation, and we wish to acknowledge them as Traditional Owners.

We are grateful to be on this Country, and part of a great tradition of storytelling and connection in this place.

We recognise the leadership of these First Nations people and pay deep respect to their Elders, past and present. We extend that respect to any First Nations people with us here today.

We acknowledge that sovereignty was never ceded and where we stand today always was and always will be, Aboriginal land.
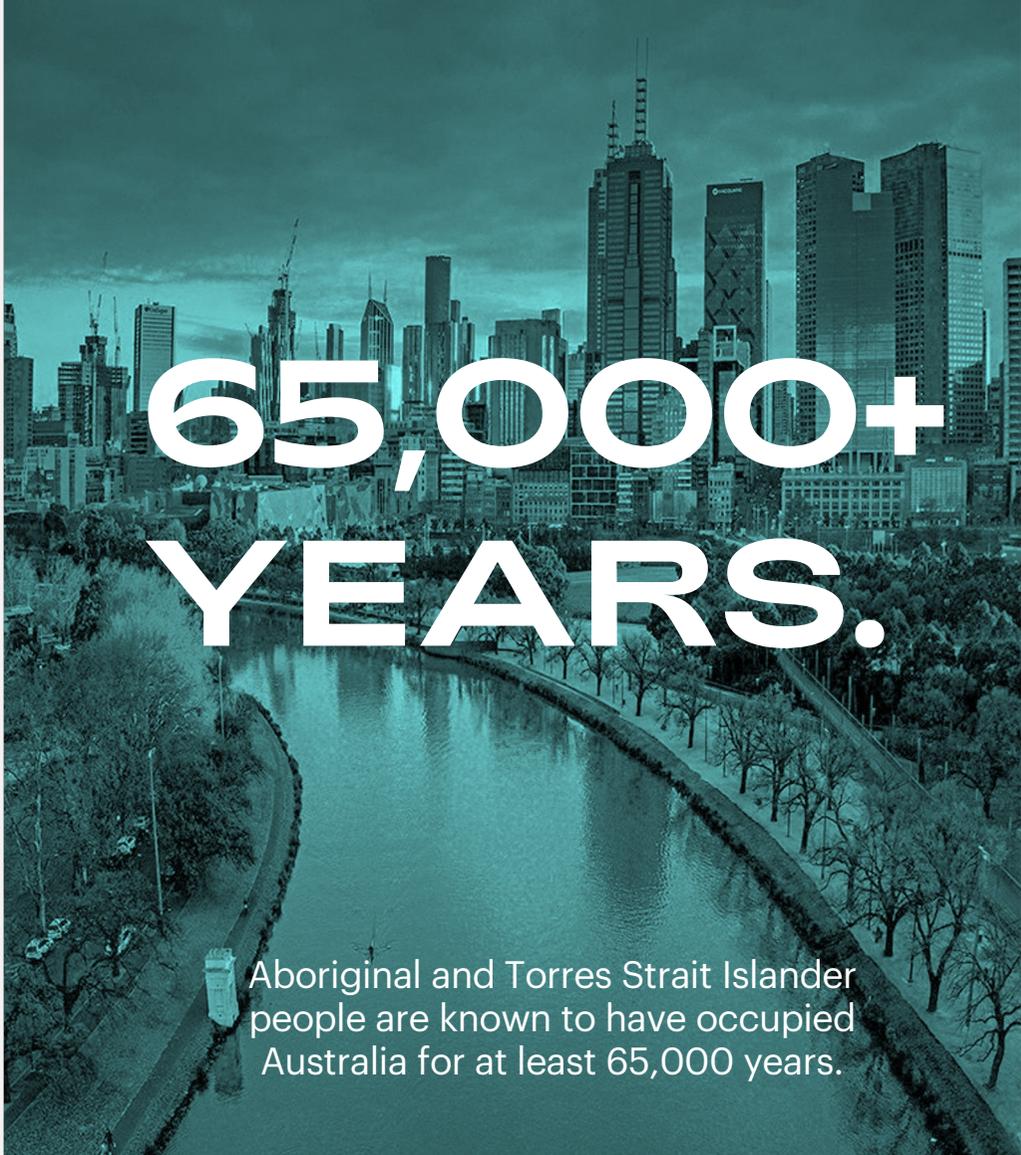
65,000+ YEARS.

Aboriginal and Torres Strait Islander people are known to have occupied Australia for at least 65,000 years.

WHO IS IN THE ROOM?

INTRODUCING THE TALKING POINT SERIES

Our aim is to provide:

- Progressive thinking
- External connection, internal application
- A good dose of caffeine

You can expect:

- An ever-changing format
- Topics that cover emerging themes for our clients and partners
- Representation from diverse organisations and industries

A BIT ABOUT US

At Spring Point, our mission is to make organisations work better; for people, profit and planet. We do this by aligning people to strategy through scaled behaviour change.

As an award-winning consultancy, we work in the areas of culture, leadership, capability and transformation. By harnessing and connecting these areas, organisations are empowered to unlock performance.

We work with clients across all industries and contexts and are passionate about partnering with organisations on their purpose.

TO MAKE ORGANISATIONS WORK BETTER

FOR PEOPLE, PROFIT & THE PLANET

OUR SERVICES

We align culture to strategy through scaled behaviour change through our four key service arms.

CULTURE

Helping organisations reset, realign and reinvent their culture using state of the art diagnostics, tools and tailored solutions.

LEADERSHIP

Supporting organisations to assess, define, develop and scale leadership capability through progressive and impactful diagnostics and development solutions.

CAPABILITY

Identifying organisations capability needs to design and deliver evidence-based blended learning solutions that provide more than training, but instead, long-term change.

STRATEGY & TRANSFORMATION

We support organisations to implement change that sticks, and to develop fit for purpose people solutions that support business outcomes.

SPRING POINT.
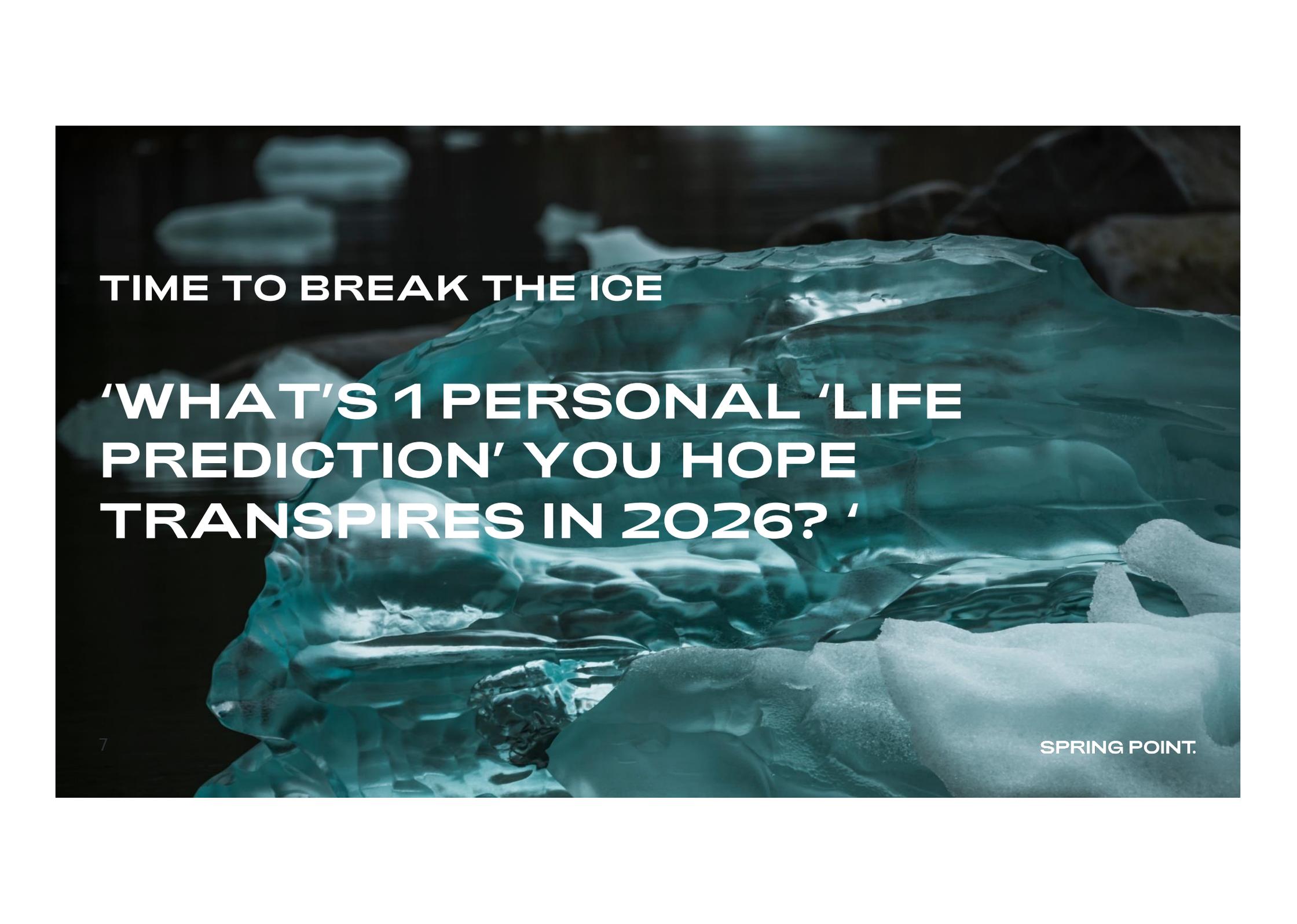
TIME TO BREAK THE ICE

'WHAT'S 1 PERSONAL 'LIFE PREDICTION' YOU HOPE TRANSPIRES IN 2026? '

SPRING POINT.

INTRODUCING OUR RESEARCH PARTNER

i4CP is regarded as a leading authority on next practices in human capital, helping organisations and HR leaders to capitalise on HR best practices and emerging workforce trends.

While constantly uncovering best practices, i4CP are best known for their research in unearthing *next practices;* those activities that have a disproportionate impact on business performance.
i4CP uses a unique combination of research and community with a strong focus on business performance as the foundation for understanding, evaluating & sharing 'how to'.

i4CP are a close partner to many of the worlds leading organisations enabling leaders to leverage data-backed insight and related guidance to create change.

Kevin Martin
Chief Research Officer

John Sutton
Vice President
International Growth

i4cp's 2026 Priorities & Predictions

High-Performance **Defined**

- **Revenue growth**
- **Market share**
- **Profitability**
- **Customer satisfaction**

Over a 5-year period.

Our Research Focus

What do high-performance organizations do differently?

Do those practices correlate to market performance?

Beyond best practices, i4cp research discovers Next practices

i4cp

i4cp Boards

i4cp's executive Boards bring together research and forward-thinking leaders to discuss, debate, collaborate, and anticipate trends and next practices in HR in order to make more informed business decisions.

- Future of Work Board
- Chief Learning & Talent Officer Board
- Chief HR Officer Board(s)
- Impact & Belonging Leader Board
- Talent Acquisition Board
- Total Rewards Leader Board
- People Analytics Board
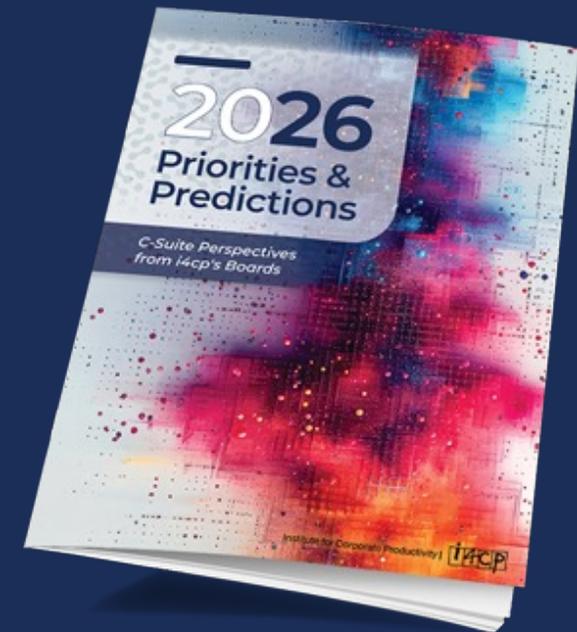
NEXT PRACTICE

We Asked …

- **What are the top priorities for your function in 2026?**
- **What do you predict will be the biggest challenge(s) for your function in 2026?**
- **What are the biggest pressures, internal and external, facing HR?**

…among other questions

The **2026** Predictions

1. Companies increasingly use AI-driven layoffs as a strategic lever

2. Skills become the operating system of work

3. "Digital work twins" won't seem like science fiction

4. Workforce design becomes fluid, modular, and adaptive

2026
Priorities &
Predictions

C-Suite Perspectives
from i4cp's Boards

Institute for Corporate Productivity | i4cp

2026 TOP PRIORITIES

Chief Human Resource Officers

1. AI-related workforce initiatives
2. Leadership development
3. Strategic Workforce Planning for the next 1-2 years—including redesigning work—due to AI
4. C-Suite succession

In 2026, CHROs are prioritizing actions to ensure the organization is 'future-ready'.

The Future-Ready Framework™

i4cp defines a future-ready organization as one with these three capabilities:
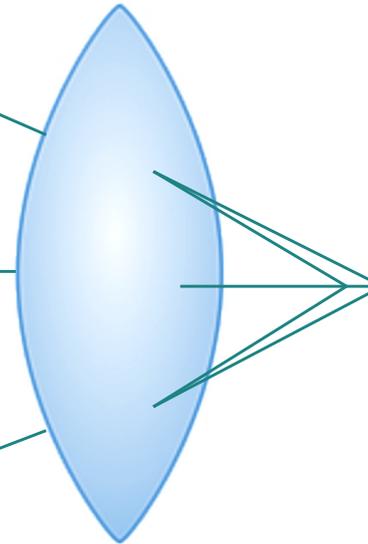
CULTURE READINESS

A culture and leadership system designed to continuously adapt behaviors, decisions, and ways of working as business needs evolve.

.

AI READINESS

A workforce enabled to responsibly leverage AI to improve decisions, accelerate execution, and deliver measurable business impact.

SKILLS READINESS

A workforce with the capabilities needed to execute current business strategy while preparing for emerging demands over the next three years.

THE FUTURE-READY ORGANIZATION

The *Future-Ready* Organization

Culture readiness	AI readiness	Skills readiness

Top **Barriers** to Business Transformation:

1. *Skills Gaps in the Labor Market*

2. *Organizational Culture and Resistance to Change*

Source: World Economic Forum – *2025 Future of Jobs Report*

The *Future-Ready* Organization

| Culture readiness | AI readiness | Skills readiness |

Principal Challenge to Data and AI Adoption:

93% = Culture Challenges | Change Management

- *7% = Technology*

Institute for Corporate Productivity | i4CP

Upskilling Effectiveness Drives Skills Readiness

Organizational effectiveness at offering upskilling/reskilling programs	Low/Very low effectiveness	High/Very high effectiveness	Difference
Having a workforce with the skills needed for the next two years (high/very high extent)	25%	69%	2.8x
Cataloging current employee skills and capabilities (high/very high effectiveness)	1%	35%	35x
Identifying skill gaps (high/very high effectiveness)	1%	40%	40x
Supporting internal mobility across roles (high/very high effectiveness)	12%	57%	4.8x
Anticipating the impact of digital technologies and automation (high/very high effectiveness)	10%	50%	5x
Determining tasks best performed by humans vs. AI (high/very high effectiveness)	3%	32%	10.7x

AI can super-charge each of these.

Closing the Confidence Gap
What Boards Need to Ensure **Future-Readiness**

Institute for Corporate Productivity | i4cp

90% of corporate directors lack a high degree of confidence that corporate leadership has articulated a clear vision for the company's future with AI.

90% lack a high degree of confidence that the company has programs in place to ensure the skills needed for the next two years.

Beware of AI overweighting by Boards

Factors that will give corporate directors the greatest confidence that a company is future-ready (respondents could select up to four responses)	Percentage
Evidence of successful AI use cases that demonstrate measurable business impact	62%
A clearly stated AI vision and strategy from senior leadership	61%
A defined talent strategy to build AI-related capabilities	51%
Ethical principles and governance frameworks guiding AI deployment	44%
A dedicated team focused on business model disruption and reinvention	33%
Engaging employees in identifying innovative uses of AI	33%
Scenario planning that incorporates technological and labor market trends	26%
Ongoing education of the board on AI, workforce, and technology trends	25%
Succession and critical role pipeline visibility	16%
Metrics on culture adaptability and change readiness	11%
Mapping of enterprise skills and subject matter expertise	11%

A key takeaway for directors is that a company that is only AI-ready is not 'future-ready'.

Source: *Corporate Director Survey on AI & Future Readiness* (2025), **Institute for Corporate Productivity (i4cp) and Extraordinary Women on Boards (EWOB).**

Institute for Corporate Productivity | i4cp

Most CEOs lack high confidence re: future-ready

Rate your organization's current state of readiness in each of these areas (100+ employees)	Low	Mod	High	Total
AI readiness	35%	53%	12%	100%
Skills readiness	18%	63%	18%	100%
Culture readiness	12%	45%	43%	100%

Source: Institute for Corporate Productivity (i4cp) and the Duke Fuqua/Coach K Center for Leadership & Ethics

CEOs of large firms are 5.5X more likely to have high confidence in Skills Readiness (28% vs. 5%)

CEOs of mid-sized firms are 2.5X more likely to have high confidence in AI readiness (21% vs. 8%)

The 5 Domains of High-Performance
i4cp's People-Productivity Chain™

Market .49

Strategy

.51

Culture .42

.45

Leadership

Talent .41

Productivity

- Revenue Growth
- Market Share
- Profitability
- Customer Satisfaction

Future-Readiness Questions
Organizations that seek to be AI-enabled

In what ways do our **Market**s or board demand we accelerate our use of AI? How can AI provide us unique advantage or introduce unwanted risk?

Will our **Culture** be an asset or liability in supporting our strategic plans? In what ways will our culture support or impede our use of AI?

What are our future skills priorities and how will we deliver? How are we enabling and motivating our **Talent** to safely, effectively, and regularly utilize AI?

Strategy

Leadership

Productivity

Market

In what ways can AI help us achieve our **Strategic** objectives? Have we communicated a vision for an AI-enabled future?

Culture

How will we ensure **Leadership** encourages and models the use of AI and importance of continuous learning?

Talent

- Revenue Growth
- Market Share
- Profitability
- Customer Satisfaction

i4cp's People-Productivity Chain™

Institute for Corporate Productivity | **i4cp**

> **"Culture at Lumen has been the differentiator. It enabled us to take this company on the brink of obsolescence and make it relevant, make it modern, make it agile, and make it critical."** ~ Kate Johnson, CEO

Market

In 2022, Lumen was in a declining *Market* (telco) with $20B in debt. Its Board brings in former Microsoft exec Kate Johnson to transform the company for growth in the age of AI.

Strategy

Johnson starts as CEO in Nov '22 and pursues a *Strategy* to evolve Lumen from a telco to a tech-co. To disrupt its market, Johnson knows Lumen must first disrupt itself.

Culture

Johnson said Lumen '*has the assets to lead the industry, but not the mindset.*" Its *Culture* needed to shift from one that 'played not to lose' to one that 'plays to win'.

Leadership

New leaders from tech and telco were hired. Eight new *Leadership* behaviors were established—"what good looks like" at each level was clearly defined. Leaders must embody the 'Lumen 8' or exit.

Talent

Talent processes shifted to emphasize both the *What* and the *How.* 50/50 weighting was placed on behaviors & business outcomes and tied to promotions and compensation.

Productivity

- Revenue Growth
- Market Share
- Profitability
- Customer Satisfaction

LUMEN®

Thank you!

Kevin Martin

Chief Research Officer, i4cp

✉ Kevin.Martin@i4cp.com

THAT WAS THE 'WHAT'. NOW THE 'SO WHAT':

5 KEY IMPLICATIONS FOR 2026...

1. THE RISK OF INERTIA

THE REAL RISK IS NOT FAILURE IT'S INERTIA DRIVEN BY COMPLEXITY

What feels like responsible caution increasingly creates greater strategic risk than informed action. So-called "no-regret bets" are emerging as a critical leadership mechanism to signal momentum and confidence.

2. TRUST & UNCERTAINTY DOMINATE AS CULTURAL TENSIONS

WORKFORCE TRUST, PERCEIVED JOB SECURITY, ANXIETY AND STRESS WILL ESCALATE

Leaders are being asked to build trust and commitment at the same time as they are increasingly unable to offer certainty or stability. Trust is no longer a cultural aspiration; it is becoming a core performance foundation.

3. CONSCIOUS & DISCIPLINED AI INTEGRATION WINS

AI DOESN'T TRANSFORM ORGANISATIONS. ORGANISATIONS THAT REDESIGN WORK, SKILLS, AND DECISION-MAKING TRANSFORM <u>WITH</u> AI

AI creates the illusion of progress while masking unresolved process, workflow, and capability debt. Organisations that win will not adopt AI faster, they will design work more deliberately.

4. EMBRACING THE "LEADERSHIP TRIPLE THREAT"

THE "LEADERSHIP TRIPLE THREAT" SHAPES THE LANDSCAPE FOR LEADERS

Leaders are challenged on 3 intersecting fronts, each related and requiring conscious attention:
a. Technical work is rapidly evolving
b. Workforce anxiety is peaking
c. Personal reinvention is a necessity

30

# 5. 'DESIGN COMPOSURE' WILL SET ORGANISATIONS UP FOR SUCCESS

EXTERNAL ACCOUNTABILITY IS RESHAPING ORGANISATIONAL RISK, CULTURE, AND DESIGN

Organisations are under pressure to act decisively and demonstrate control, while the risk of moving too fast with blunt tools, automated judgement, or poorly designed interventions is escalating. Compliance without thoughtful design increases exposure rather than reducing it.

WHAT YOU CAN DO TO GET AHEAD OF THE CURVE.

"The secret of getting ahead is getting started."

- Mark Twain
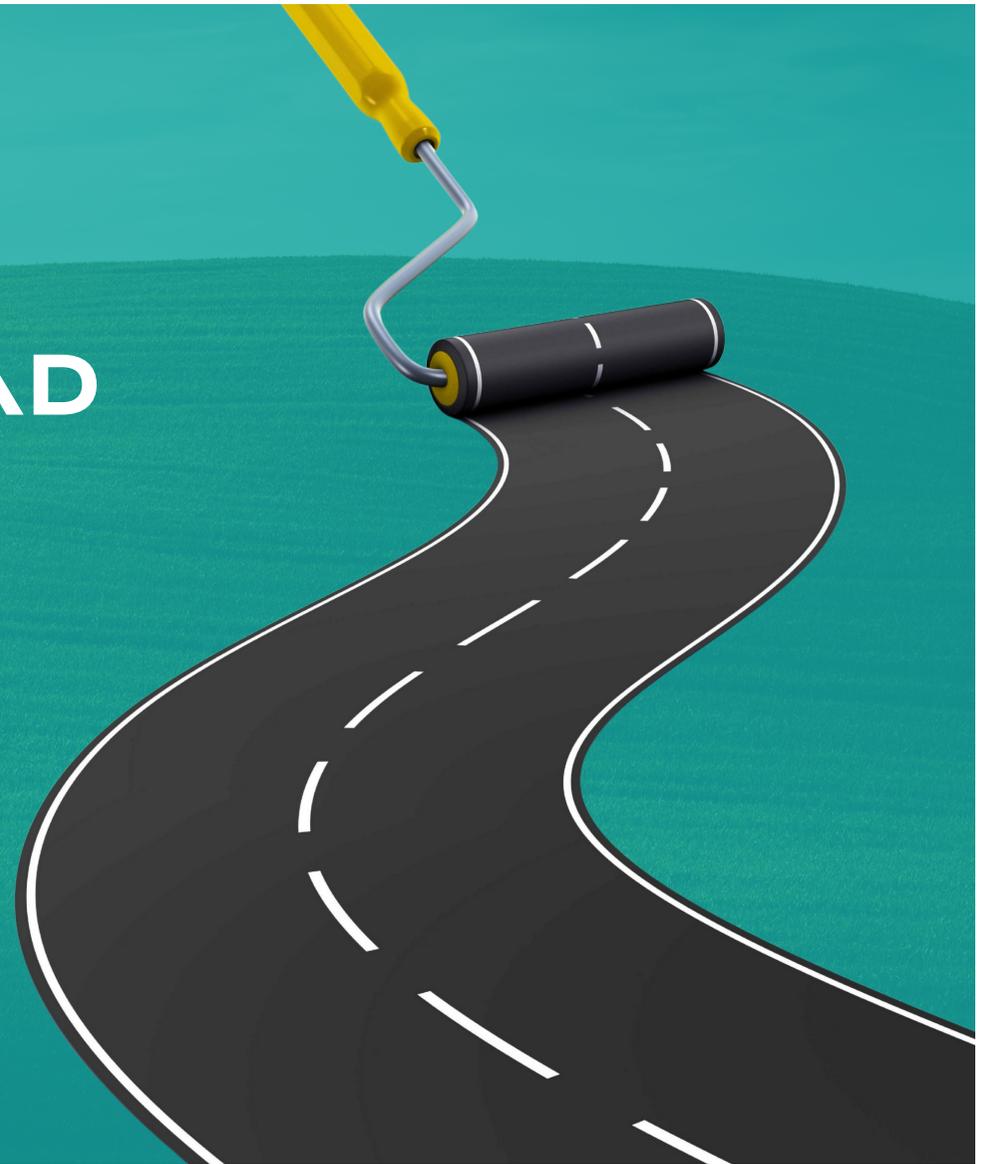
AI, ORG DESIGN, & STRATEGY:

STRATEGY & SYSTEM

Redesign the strategy system, not just the strategy. Shift from a single annual planning event to a repeatable strategy rhythm with clear decision checkpoints.

MAP REAL WORK

Make work visible before you redesign structure or adopt AI. Map a small number of critical value flows end to end.

UPSKILL WHAT MATTERS

Explicitly define the core skills that underpin the value proposition. Identify the small set of applied skills that truly differentiate how value is created and delivered today and in the future.

PLACE YOUR BETS

Make "informed bets" a deliberate strategic mechanism. Identify a small number of **no-regret or low-regret bets** aligned to strategy.

LEADERSHIP IMPLICATIONS

MAKE IT HAPPEN

NAME & ADDRESS THE NUANCES

PERSONAL AGENCY

Massive change could distract organisations from taking adequate steps to engage leaders in conscious dialogue about how they lead. 'Making the business case' & 'making the time' for deliberate leadership will be key.

Leadership essentials remain, but a dialled-up focus is required in these areas:
- **Navigating Paradox**: Identifying and addressing competing demands
- **Pattern Recognition**: Foresight and strategy require the identification of patterns & signals that direct action in 'no regret areas'
- **Mental Skills**: 'Inner game' skills of perception, thinking, feeling and attention matter more than ever in fostering authentic leadership, relationships & trust

Taking ownership for personal change and reinvention – behavioural or technical – will be the staple for progress.

SPRING POINT.

PSYCHOSOCIAL RISK IMPLICATIONS:

COMMUNICATE & EDUCATE

Clarify what Psychosocial Risk is & why it matters. Don't assume understanding of the concept/legislation. Simple & educative frameworks the whole organisation can consume.

MEASURE IT

Deploy a diagnostic to measure psychosocial risk health. Where possible, deploy this as part of a broader workplace culture diagnostic to enable system level insights & response.

DEFINE ACCOUNTABILITIES

Clarify responsibilities and accountabilities for leading this work. Clarifying HR V's Line Management roles in shaping systemic change will be key.

SYSTEMS CHANGE APPROACH

Initiatives must reflect the various levels of system based change to be sustainable. Don't over-index in one area.
(Individual & Leader. Behaviour & Process. People & Org Design. Commitment & Compliance)

WHAT ARE YOU SEEING?

15 minutes

Consider what you've heard this morning and how it relates now, or could begin to impact your industry, organisation and your role.

Specifically think about:
1. Which topic matters most to you or your organisation, and why?
2. Which insights surprised you?
3. What action would you most like to implement within your organisation or team?

SPRING POINT.

MORE READING...

i4CP 2026 PRIORITIES & PREDICTIONS REPORT

Each year, i4cp's Priorities and Predictions report provides an in-depth look at what's next for HR from the perspective of senior HR executives representing the world's leading and most respected brands.
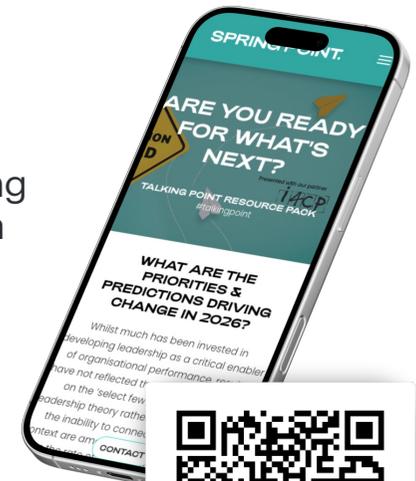
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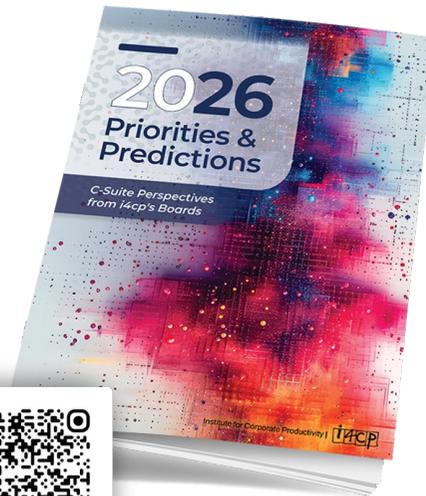
DIGITAL RESOURCE KIT

Access everything from today's session, including video, slides, stats and a selection of other resources to help you plan and guide you on your way in 2026!

SCAN TO ACCESS

SPRING POINT.

THANK YOU